Never Sheathe the Sword Until Victory Is Won

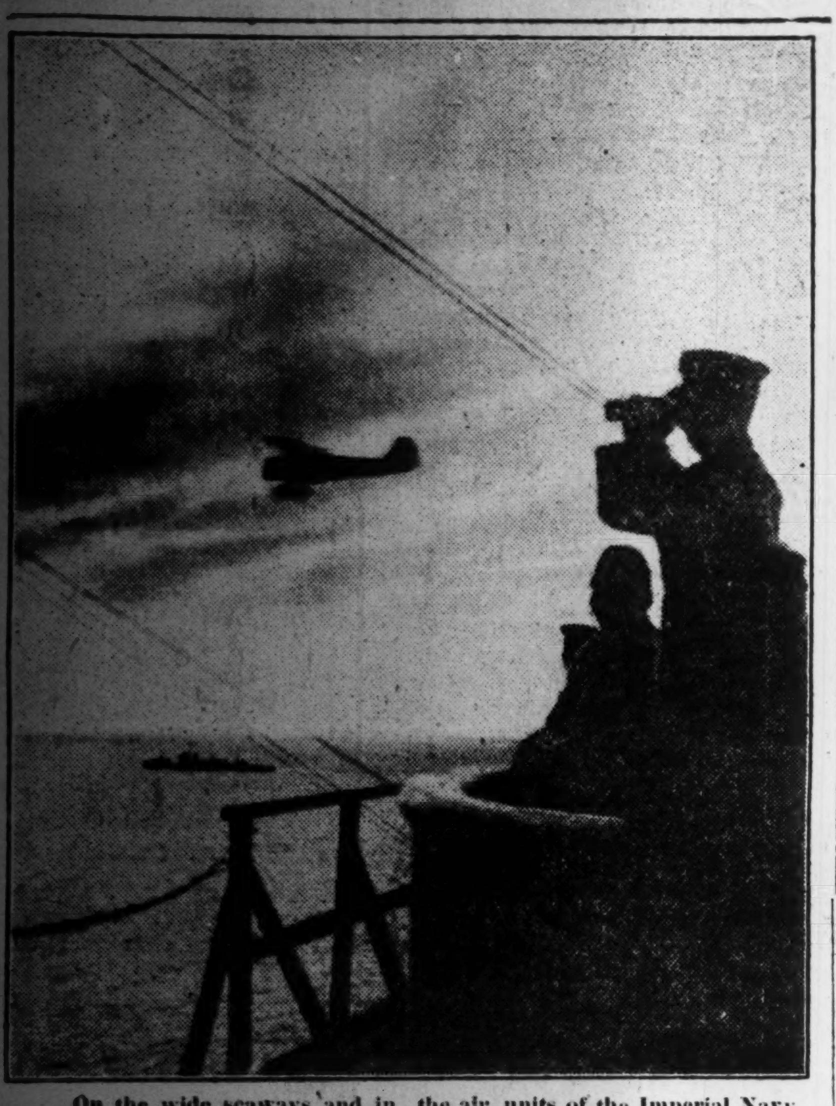
Nippon Times
Evening

Win on the Home Front And on the Battle Front

No. 15,806 TOKYO, TUESDAY, MARCH 30, 1943 第三種郵便物認可 昭和十五年十二月二十七日 Price 8 Sen

CONCESSIONS ARE RETURNED
ITALY, FRANCE, SPAIN, DENMARK TAKING STEPS

Vigil on South Pacific



On the wide seaways and in the air, units of the Imperial Navy keep constantly in action to protect the vital convoys from enemy attacks. (Photo by Cameraman Nishii of the Navy Information Corps. Passed by Navy Ministry)

Japanese Navy Repulsing Attacks Of U.S. Forces on All War Fronts

The latest Imperial Headquarters announcement issued Monday afternoon throws light on the present acute stage in the war situation prevailing both in the North and South, with particular reference to the battle of offense and defense on the sea and in the air for the defense of the transportation route in the New Guinea area, the bombings of the enemy supply bases in the South Pacific, the pressure on enemy guerilla warfare in the Southwest Pacific, and the initial naval encounter in the Aleutians, indicating that war on the South Pacific front is developing with unusual severity, though not spectacularly, while the Aleutians front promises to become more active with the advent of warmer season.

Elucidating the bare war results as announced by the Imperial Headquarters, the Asahi gives the following detailed points:

Convoy Heavily Hit

1. In connection with the supplies for the New Guinea area, the air units of the two opposing forces have become more active gradually, seriously affecting the battle of offense and defense which has developed in the New Guinea area. Our naval air units, catching sight of an enemy convoy concentrated in Oro Bay southeast of Buna, the important supply base for enemy troops landed in the area, conducted a daytime bombing raid on the convoy with fighter and attacking plane units, and exchanging fire with some 30 enemy fighter plane in the course of patrol duty, shot down 19 of them. Further, the invading planes scored direct hits on a 8,000-ton transport, a destroyer and a patrol ship at anchor in the bay and also on a 5,000-ton class merchant vessel steaming outside the port and sank all of them, thus frustrating the enemy designs to send supplies. Our side suffered one self-blasted and two unreturned planes.

Enemy Fleet Routed

2. In the Aleutians area, enemy fleets often operated to block our supply increase to Atsuta (Attu) and Narukami (Kiska) area. It was the activities of the American northern fleet consisting chiefly of cruisers and destroyers. Our fleet in the same area, ever on the lookout for enemy operations, discovered an enemy fleet consisting of two cruisers and several destroyers, on the sea some 150 nautical miles west of Atsuta Island early on the morning of March 27.

When the encounter was made, the enemy fleet took a course toward the east in an attempt to flee, but our fleet, taking advantage of its superior speed, narrowed the distance and conducted a chasing attack on the escaping fleet for as long as four hours. Finally catching up with the enemy, our fleet fired and scored direct hits on an A-class cruiser. The enemy cruiser was so heavily damaged that it was robbed of its freedom in firing.

Another cruiser a B-class cruiser of the Omaha class, caught on fire due Japanese bombardments. The enemy fleet was found in a disordered formation, with each vessel taking a different course. In such a shattered condition they fled to their base in an easterly direction. Our cruisers were hit by enemy shells but the damage suffered was negligible, offering no interference to fighting and navigation. With the advent of spring, the Aleutians front promises to be more active. The latest naval battle, however, frustrated the enemy's design for a counter-offensive from the surface of the sea in the initial encounter. The development of the fighting situation in the

(Continued on Page 2)

Press Comments

Tuesday, March 30
YOMIURI-HOCHI—Nanking Government.
TOKYO SHIMBUN—'Asia Is One'.

Nanking Government

YOMIURI-HOCHI—The National Government of China today welcomes the third anniversary of its return to Nanking. At its second anniversary last year, the National Government did not take any concrete form of measure for the War of Greater East Asia since the hostilities had just begun at the time, but the third anniversary finds it participating in this war. And, the Japanese policy toward China as well as the policy of the National Government itself have undergone great changes at this juncture, the changes which will be put into reality with the advent of the anniversary.

On the occasion of the entry into the war of the Nanking Government, the Japanese Government issued declarations relative to the retrocession of concessions, abolition of extraterritoriality, transfer of control over enemy properties and the rendition of rights and interests, making it clear at the same time that the problem of central and local administrations, maintenance of peace and order, purchasing of merchandise, distribution, and removal will be left in the hands of the National Government. It was also clarified recently that the issuance of new military scrips will be discontinued. All these promises are about to be fulfilled with the third anniversary of the National Government's founding.

Responding to the measures taken by the Japanese Empire, the Chinese side is also effecting renovations independently in the military, political and economic fields. Viewed from these circumstances, the celebration today, as compared with the past two anniversaries, has a vital significance in that it marks a new era and consequently, this felicitous day should not be welcomed merely with congratulations.

The National Government of China was born under wartime conditions and was reared with aid from various circles in Japan. Even if a stage is reached wherein it is capable of looking after the welfare of the State, many stumbling blocks may be predicted in its path under the existing state of affairs. The officials, however, should not double

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Peking Legation Area Given Up by Italy-- Others Will Follow

Domei

NANKING, March 29.—Following in the wake of Japan, the Italian Government has decided to return its Peking Legation quarter to the National Government of China, it was learned today.

In this connection, an agreement was signed at 4 o'clock this afternoon by Chinese Foreign Minister Dr. Chu Min-yi and Italian Ambassador Francesco Maria Marchese Taliani de Marchio, at the Foreign Ministry of the National Government of China.

Italy Signs Agreement

Domei

NANKING, March 29.—The full text of the agreement for the return of the Italian Legation Quarter in Peking to the National Government of China which was signed here this afternoon by Dr. Chu Min-yi, Foreign Minister of the National Government, and Francesco Maria Marchese Taliani de Marchio, Italian Ambassador to Nanking, follows:

Article 1. The retrocession of the administrative rights in the Peking Legation Quarter shall be enforced between China and Italy on March 30, 1943.

Article II. Roads, bridges, drainage system, sewers, embankments and other public facilities within the Legation Quarter shall be returned without compensation to China.

Article III. The Government of the Republic of China shall reaffirm and respect the existing rights and interests with respect to real estate and others of the Italian Government and nationals in the Legation Quarter.

France, Spain Agree

Domei

PEKING, March 29.—Responding to Japan's decision to retrocede its administrative rights in the Peking Legation Quarter to the National Government of China, France, Italy and Spain have also decided to retrocede their respective administrative rights in the Peking Legation Quarter to the National Government of China, it was learned.

The retrocession of the Peking Legation Quarter by the aforementioned three nations will be materialized tomorrow, on the day of the third anniversary of the return of the National Government of China to Nanking.

Denmark Follows Step

Domei

NANKING, March 29.—In accordance with the Preliminary Treaty of Amity and Commerce concluded between China and Denmark on December 12, 1928, the Government of Denmark has decided to relinquish all extraterritorial rights in China, it was disclosed today.

It is understood that the relinquishment of extraterritorial rights in China by the Danish Government was based on Article II of the Treaty providing that when other foreign nations in China abolish extraterritorial rights in China, Denmark will take a similar step.

The Danish consul-general stationed in Shanghai has been informed by his home Government on this matter.

Dr. Chu Min-yi, Chinese Foreign Minister, who left for Shanghai on March 16 has completed negotiations with foreign diplomats now stationed in Shanghai in connection with the relinquishment of the extraterritorial rights in China, it was revealed.

Britain Masses Warships

Numerous British warships comprising three battleships, Nelson, Malaya and Rodney, the aircraft carrier, Formidable, two auxiliary aircraft carriers, 22 destroyers, 12 warships of the corvette-class, two cruisers, 26 high-speed boats, and many transports are being massed in Gibraltar Harbor, according to a Lisbon dispatch to Domei on Monday.

The formation of such an enormous fleet by Britain is speculated to indicate Britain's design to conduct a new strategy in North African waters.

Army Eagles Claim 202 Enemy Planes

The brilliant results achieved by the Imperial Army Air Units in their activities on the South Pacific Front since the beginning of this year up to the middle part of March were announced by Imperial Headquarters at 11 a.m. today revealing that 157 enemy planes had been shot down in air combats and 45 others destroyed on the ground.

Official announcement follows:

IMPERIAL HEADQUARTERS March 30, 11 A.M.—Composite results gained by the Japanese Army Air Units operating in the South Pacific since the beginning of this year up to the middle part of March are as follows:

1—Damages Inflicted on Enemy Aircraft
A—In New Guinea
Shot Down 95
Destroyed on Ground .. 30
B—In the Solomons
Shot Down 62
Destroyed on Ground ... 15
2—Damages on Our Side 30

Wang Exhorts Cooperation As 3rd Anniversary Feted

Nation Pushes Ahead In 3 Years Despite Various Difficulties

Domei

HANKOW, March 30.—All Hankow today celebrated with gala functions the third anniversary of the National Government's return to Nanking and the retrocession of the Japanese concession as well as its relinquishment of its extraterritorial rights which were formally effected marking this auspicious occasion.

At 10 a.m., a ceremony for the formal return of the Japanese concession was held at the official residence of the Japanese Consul-General, where Japanese and Chinese official representatives were present.

The citizens assembled at the Central Square of the city to fete the occasion of doubled felicitation and significance. At Chungshan Park, members of the youth corps carried out a review before the mayor, while parades, cinema shows and lecture meetings were also held.

Big Progress Made

The National Government of China greeted today the highly significant third anniversary of the return of the capital to Nanking in the very midst of a gargantuan war for the annihilation of America and Britain, according to Domei.

Three years ago, on March 30, 1939, the National Government with Wang Ching-wei as President, responding to the lofty ideal of the construction of a new order in East Asia and taking over the administration and unification of China under the banner of anti-communism and peaceful construction of the nation, established its seat at Nanking.

The National Government, in spite of the difficulties besetting its path, arrayed itself wholeheartedly and pushed on with the stupendous task of constructing the nation. Since aligning itself with Japan and Manchoukuo and the opening of diplomatic relations with Manchoukuo, the National Government, rapidly adjusting and regulating its military, political and international affairs, has now been recognized by the 12 nations, namely Japan, Manchoukuo, Germany, Italy, Roumania, Slovakia, Croatia, Hungary, Bulgaria, Spain, Denmark and Thailand, and her national foundation has been ever increasingly stabilized.

Then, based on the principles of Dr. Sun Yat-sen, whose ideals were for the construction of a new East Asia, the National Government launched forth on the extirpation of the Chungking regime while manifesting a policy of non-cooperation with America and Britain, whose

(Continued on Page 2)

Gandhi Reported Ill

Mahatma Gandhi, who recently completed his three-week fast, is again reported to be showing critical symptoms and Dr. Roy, noted Indian physician, hurried to the Aga Khan Palace at Poona, according to an Istanbul dispatch to Domei on Monday.

Urges Joint Effort

President Wang Ching-wei

8 SOVIET PLANES DOWNED BY GERMANS OVER OREL

Foe's Encirclement Plan At Tunisia Frustrated

Domei

BERLIN, March 29.—Altogether eight Soviet planes, including four fighters were shot down by the German infantry in the northeast of Orel, the German High Command announced on Monday.

In the Lake Ilmen sector and in the southern zone of Lake Ladoga, Red troops staged counter-offensives, but they were all repulsed by the Germans, sustaining considerable damages.

In the southern area of Tunisia, the anti-Axis armies' encirclement attempt has been completely frustrated by the German mechanized units.

Anti-Axis planes last Sunday attacked German-occupied Western Europe and the Norwegian coast and German defenders shot down 18 enemy planes.

Meanwhile, German heavy bombers last Sunday night again bombed Norwich, an industrial city in Eastern England, inflicting heavy losses.

East Asia Ministry To Study Vital Issues

In connection with the actual development of Japan's new China policy and the recent conditions in the Southern Regions, the Greater East Asiatic Affairs Ministry will hold its committee council at the official residence of the Greater East Asiatic Affairs Minister Kazuo Aoki on Wednesday starting from noon.

The Council of the Greater East Asiatic Affairs Ministry Committee will be represented by Minister Aoki, other Ministry Officials concerned and 46 civilian committeemen including Fusanosuke Maeda.

Cooperation, Crushing Of Enemy Ideals, Main Keynotes of Message

By Arrangement with the Asahi
(Special to the Nippon Times)

NANKING, March 29.—On the eve of the third anniversary of the establishment of the National Government of China, President Wang Ching-wei issued for the third time "A Message to the Chinese People", in which he stressed the necessity of thoroughly crushing the Anglo-American ideal of utilitarianism and materialism and declared emphatically that the Chinese people must cooperate wholeheartedly with Japan to bring about the successful consummation of the War of Greater East Asia.

The substance of the message follows:

"The immediate duty of the Chinese people is to render all-out cooperation to Japan in the prosecution of the War of Greater East Asia. On February 9, an agreement was signed with Japan for the enforcement of the rendition of exclusive concessions, while on March 12, the restrictions on various commodities were alleviated. However, these objects cannot be achieved unless and until China cooperates in the War.

"Then, how can the country collaborate with Japan in prosecuting the War of Greater East Asia? Though it did not neglect to consider the national power of China, the Government decided to appeal to arms and declared war on the United States and Britain on January 9 this year.

Japan Gives Support

"Japan knew that China's national power was not so strong, but has expressed its wholehearted support for the measure thus decided upon by the National Government of China.

"The War of Greater East Asia is a fight between the moral doctrine of the East and the utilitarianism

Builds Schooner Fleet

Domei

HONGKONG, March 29.—The building of schooners with auxiliary engines has been under way with increasing vigor in Hongkong, and the schedule has been set for an anticipated launching of x number of ships per month by June this year, with a view to the completion of a huge fleet at the end of the year.

Hongkong's ability to display its full potentiality as the central port of the Co-Prosperity Sphere, depends solely on the strengthening of transportation facilities to the Southern Regions, and the smooth expansion of the construction capacity of auxiliary schooners augurs well for the future prosperity of Hongkong.

Oro Bay, New Guinea Blasted by Japanese

Domei

LISBON, March 29.—Japanese Air Units that attacked Oro Bay in New Guinea at noon yesterday bombed anti-Axis bases and also sunk one vessel and damaged another, according to a dispatch from Melbourne.

JAPAN RETURNS ENEMY ASSETS

110 of 1,003 Anglo-American Properties Restored to Nanking

Domei

NANKING, March 29.—A total of 110 Anglo-American properties under the control of Japanese authorities in Central China were formally turned over to the Nanking Government's Commission for the Control of Enemy Assets in China today.

The transfer was in accord with the Sino-Japanese Agreement concerning the management of enemy assets in China and also comprising part of the 1,003 items, which is scheduled eventually to be turned over to the Nanking Government.

The Japanese Government at a ceremony held at the Executive Yuan at 3 p.m. today was represented by Tateki Horiuchi, Minister to China, and the National Government of China by Finance Minister Chou Fu-hai, Vice-President of the Executive Yuan and concurrently Chairman of the Commission in Control of the Enemy Assets in China.

Enemy assets which have been turned over to the National Government of China are comprised of 26 industrial properties and 84 cultural institutes.

With other transfers to follow as soon as all necessary preparations are completed, it is anticipated that the present transfer will go a long way in enabling the National Government of China both economically and politically to collaborate with Japan in the prosecution of the War of Greater East Asia to its successful conclusion.

Mei Thanks Japan

Domei

NANKING, March 29.—Expressing his sincere thanks to the Japanese decision to return 24 former enemy factories in China to the National Government of China, Mei

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CABINET ADVISERS' BODY CONVENES THIRD MEETING

Confer at Tojo's Official Residence

Cabinet advisers at 2 p.m. yesterday held their third meeting since the formation of the body at the Prime Minister's official residence, according to Domei.

Cabinet advisers excepting Kiyoshi Goko, Prime Minister General Hideki Tojo, Home Minister Michio Yuzawa, Finance Minister Okinori Kaya, Navy Minister Admiral Shigetaro Shimada, Agriculture Minister Hiroya Ino, Commerce Minister Nobusuke Kishi, Railways Minister Yoshiaki Hatta, Communications Minister Vice-Admiral Ken Terashima, Chief Secretary to the Cabinet Naoki Hoshino, Director of the Legislation Bureau Eiichi Moriyama and President of the Cabinet Planning Board Lieutenant-General Teiichi Suzuki were present at the meeting.

After the Cabinet Ministers and the Cabinet advisers exchanged views on various matters, they adjourned at 5:30 p.m.

Peru Shows Discrimination

Any naturalized citizen of Peru who was formally an Axis national will be deprived of his citizenship if he shows any acts or inclinations that are undemocratic or pro-Axis, it was ruled by the ordinance recently promulgated by the Peruvian Government, according to a Buenos Aires dispatch to Domei on Sunday in relaying a wire from Lima.

China Formally Handed Japan's Concessions, Peking Legation Area

Domei

NANKING, March 30.—The return of Japanese concessions and the Peking Legation Quarter, an event to be noted permanently in the pages of history, was realized today on the occasion of the National Government's third anniversary of the return of its seat to Nanking. Since the signing of the agreement concerning the return of the concessions and the abolition of extraterritoriality rights between the Japanese and Chinese Governments on the day of China's entrance into the War of Greater East Asia on January 9 of this year, preparations had been pushed for its materialization.

On February 10, a joint committee was appointed in accordance with the terms of Article 2 of the Agreement and concrete details were drawn up on March 14. Furthermore, the agreement for the return of the Peking Legation Quarter was signed on March 22.

The ceremonies for the return of the concession were solemnly conducted between the Japanese Consul-Generals and the governors and special municipality mayors on the Chinese side in the presence of the Chinese committee on the return of concessions, in Hangchow, Soochow, Tientsin, Canton, and Amoy.

Soochow Given Back

Domei

SOOCHOW, March 30.—With regard to the formal retrocession of the exclusive Japanese concession here, the local Japanese Consulate and the Government of Kiangsu Province issued the following statement today:

"In accordance with the agreement signed at Nanking on March 14 between the Japanese and Chinese representatives regarding the retrocession of the Japanese concessions in China, a ceremony for the formal return of the exclusive Japanese concession in Soochow was held here at the official residence of the Japanese Consul, where Consul Kosakabe has formally retroceded the concession to Li Chih-chun, Governor of Kiangsu Province."

Amoy Handed Over

Domei

AMOY, March 30.—According to the announcement of the Japanese Consulate-General in Amoy, the administrative power of the Japanese concession there was turned over today to Mayor Li Ssu-hsien of the Special Municipality of Amoy by the Japanese Consul-General, in accordance with the terms of the agreement signed between the Japanese and Nanking Governments on January 9, the details of which had been agreed upon on March 14 this year.

Telegraph Offices Opened

Domei

MANILA, March 29.—In accordance with the expansion of telegram service in the Philippines, two more telegraph offices will be opened respectively at Daet, in Camarines North and at Surigao, in Mindanao, it was announced by the Telegraph Bureau here today.

The new telegraph offices not only will exchange telegrams with various telegraph offices in the Philippines, but will also handle telegrams to and from Japan, Manchoukuo and China.

When the two new telegraph offices are opened, the number of telegraph offices in the Philippines will be increased to 45.

Culture Party in Nanking

The first group of the Japanese Cultural Mission to Nanking, to fete the third anniversary of the return of the National Government of China to Nanking, including On Shioya, Kyozo Hiranuma, Tadataka Ikezaki, Kiyoshi Nobutoki and others arrived at Nanking on Monday at 2:20 p.m. via Peking, reports a Nanking dispatch to Domei.

NAGOYA GREETS BA MAW PARTY

Burma Leaders Stop For Night in City--Gifts Are Showered

Prime Minister Ba Maw and his colleagues who left Tokyo for Nagoya yesterday morning arrived at Nagoya Station at 5:01 p.m. the same evening where they were met by Governor Chiyoji Yukizawa of Aichi Prefecture, Mayor Masatoshi Sato of Nagoya and other dignitaries, according to Domei.

On the train speeding westward, Prime Minister Ba Maw, changing to a comfortable grey suit, took in from the train window Japan's Spring scenery along the route. The sublime and majestic form of Mt. Fuji rearing loftily above the clouds called forth words of admiration from the Burmese leader.

Prime Minister Ba Maw expressed profound satisfaction and thanks when presented with two porcelain statues of Goddess Kwannon and Fuken Bosatsu by the Nagoya Chamber of Commerce. The Burmese officials stopped overnight at the Kanko Hotel.

Plane Model Received

Included in the luggage of Prime Minister Ba Maw, when he left Tokyo for the Kansai district en route home was a carefully-packed bundle containing a model plane, according to Domei.

The plane was a gift for the Burmese leader's son from Sukeyuki Kurokawa and Kazuo Sakamoto, both 12 years old, of the Meido National School in Toshiro, Miyazaki Prefecture.

The two Japanese boys, who are sons of soldiers who sacrificed their lives on the southern front, had read in the papers that the son of the Burmese leader wanted to get a Japanese model plane.

Accordingly, they obtained the help of their friends, bought parts and accessories with their pocket money and made a large model plane.

The model plane, which is more than five feet in length, was brought to Tokyo by the two boys when they came to the capital to attend the festival of the Yasukuni Shrine for a reunion with the souls of their brave fathers.

Yesterday afternoon, on the eve of the departure of the Burmese Mission from the capital the two boys presented their gift to Prime Minister Ba Maw at the Dai-Toa Guest Hall in Azabu where the Burmese Mission was quartered.

All Enemy Attacks Repulsed by Navy

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same area is considered worthy of attention.

Canton Island Blasted

3. As the middle base connecting Hawaii and the South Pacific area, Canton Island has been strengthened with large-scale military installations, and it occupies a position of strategic importance. This island was twice bombarded by our submarines in the last part of January. Later the same island was raided by our naval air units and sustained heavy damage to military facilities there. The latest night bombings were conducted on March 19, 22 and 26.

The enemy was completely surprised on the night of March 19. Fires broke out at several places, reducing several barrack areas to ashes. Large explosions were caused at seven points of the enemy airfield on the occasion of our second attack on the night of March 22., A large explosion was also caused at the enemy's hanger at the time of the third air raid on the night of March 26, converting the airfield into a sea of flames. Also the enemy water front base was furiously bombed, causing explosions and resulting in the wonderful success in the large-scale ocean-crossing bombing attack.

Four Submarines Sunk

4. The enemy is continuing submarine activities in the South Pacific area. In spite of their vigilance, our side sank four enemy vessels during the interval of March 13 and March 27, namely, one sunk by our naval unit off New Guinea on March 15, one sunk by our naval unit in the Sulu Sea between Mindanao Island of the Philippines and North Borneo on March 24, and also an enemy submarine was sunk by our warplanes in the Macassar straits on March 26. This enemy submarine was discovered when it came up to the surface. A large bomb hit near the stern of this submarine, and another bomb landed at a nearby spot, causing the submarine to sink immediately. Another enemy warship was discovered by our patrol ships in the sea east of Guadalcanal Island. Suffering direct hits, this enemy war vessel was also immediately sent to the bottom of the sea.

British Prisoner Regrets Fighting Japan; Lauds Good Treatment Given

Domei

ON THE BURMA-INDIA BORDER, March 28.—Lieutenant John Murray Kerr, former Platoon Leader in the Third Battalion of the King Regiment belonging to the 77th Infantry Brigade of the British Army in India, who had been taken prisoner by the Japanese Army in a battle at an undisclosed point on the Burma frontier on March 6, recently told a Domei correspondent that he was very grateful to the Japanese for the treatment he is receiving.

The following is a stenographic record of the interview:

Kerr: I was born in Lincoln, Eastern England in 1919. Both my parents are living. I have one older brother and one younger.

After graduating from the Cardiff High School, I served as land manager in Glasgow until last summer when I was conscripted into the army.

I left England in August of last year, and arrived in Bombay, India, by way of Cape Town toward the beginning of December.

Correspondent: When did you come to Burma?

Kerr: It was on February 15 when we crossed the Chindwin River.

Correspondent: How is the recent situation at home?

Kerr: Everything is on the coupon and distribution system. We do not have enough butter, cheese, and bread. There are large posters in railway stations instructing people to desist from going on unnecessary journeys.

Correspondent: What about the condition in India?

Kerr: The general populace there is being suppressed by the troops, and since the people do not have any real leader to guide them, their outbursts do not seem to be widespread. But we cannot deny that a very ugly undercurrent now exists in India.

Correspondent: Did you enter India believing that you could drive out the Japanese troops?

Kerr: We came with full confidence. But after several fightings with the Japanese, this confidence received a rough shaking, I can assure you.

An invasion of Burma, it seems, will be quite a difficult task. All our food and ammunition, and even orders, were dropped by airplanes. It was all we could do to keep marching through the jungles.

Correspondent: How do you feel now?

Kerr: I did my best. That is why I can feel at rest today. As for my treatment, I am receiving the best I could hope for as a prisoner of war and I feel very grateful to the Japanese Army.

ENEMY CRUSHED IN YANGTZE AREA

Composite War Gains By Japanese-Nanking Forces Are Announced

Domei

SHANGHAI, March 29.—Remarkable results so far achieved by the Imperial Forces and the National Government army operating in the lower stretches of the Yangtze River were announced as follows:

1. SU-HWAI SECTOR:

Japanese Forces, in collaboration with the Nanking forces trapped and annihilated the Eighth Brigade of the Chungking New Fourth Army concentrated in this sector. The war results included:

Enemy dead buried	330
Prisoners	285

War Trophies:

Heavy machine-gun	1
Rifles	181
Light machine-guns	5
Cannons	2
Revolvers	4

2. SU-HSIEN SECTOR:

The Imperial Forces annihilated an enemy unit of 2,000 strong in the northeastern areas of Su-hsien and scored war results including 117 enemy corpses buried, six prisoners and 103 rifles.

3. CHAO-HO SECTOR:

Enemy dead buried	563
Prisoners	161
Rifles	46

4. HWAI-NAN SECTOR:

Attacking the Seventh Division of the New Fourth Army, the Imperial Forces captured 161 prisoners and 46 rifles. Enemy corpses found buried totaled 563.

5. SOOCHOW SECTOR:

Routing bandits, the Japanese Forces captured 36 enemy soldiers, two light machine-guns and 31 rifles, while the enemy dead found buried numbered 44.

Japan Returns Enemy Assets

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Ssu-ping, Minister of Industry and Commerce of the National Government, today declared that the National Government of China is determined to exert its utmost for increased production to assist Japan for the attainment of final victory against the United States and Britain.

Minister Mei declared those factories which were damaged by the enemy have been repaired and various productive industries have been restored gradually.

He stated further that since the return of the National Government of China to Nanking, the number of factories returned by Japan to the National Government totals more than 100. He added that this is a clear manifestation on the part of Japan of its sincerity to extend its great assistance for the revival of Chinese industries.

Minister Mei stressed the absolute necessity of the National Government of China's utmost economic cooperation with Japan for the satisfactory execution of the War of Greater East Asia.

Moreover, he expressed his heartfelt gratitude for the Japanese decision to return additionally 24 factories to the Chinese National Government on the occasion of the 3rd anniversary of the return of the National Government of China to Nanking.

U.S. FALSIFIES ALEUTIAN CLASH

Vague Report Given To Deceive Public-Say Japanese Fled

Domei

BUENOS AIRES, March 28.—The United States is still sticking to the hackneyed policy of deceiving the ignorant American people regarding the revelation of their miserable, successive losses on various war fronts.

A Washington dispatch received here discloses that concerning the recent Japanese-American sea battle off Atsuta Island in the Aleutians, the United States Navy Department on Sunday issued an obviously false communique to the following effect:

"An American fleet, while patrolling over the sea to the west of Atsuta Island, came across a Japanese Fleet which was advancing east to the direction of the Aleutians. We exchanged fire at a long range. When the firing between the two was over, we found the Japanese Fleet advancing to the west. Detailed announcement of the battle will be made when such communique would have no strategic value for the Japanese."

As if to back up such a false announcement of the American naval authorities, which would give a wrong impression to the American public of the Japanese Fleet having taken to its heels at the terrific attack of the American gunners, an Associated Press broadcast also declared: "The exact picture of the recent sea battle off Atsuta Island has not been revealed yet by our authorities, but our Navy Department's communique enables us to suppose that the Japanese Fleet has anyway fled in the face of the severe American bombardments."

Here it is ridiculous to note also from the same broadcast that it added comment of an excuse, saying: "Since our Navy Department says that it can't reveal the details of the sea battle, it is, of course, problematical whether the first firing fully determined the issue of the battle."

It is stated that the American people may do well to note that the Japanese Fleet speeded along to the west in order to pursue the retreating American fleet.

Sure Cure for Cobra Poisoning Found; Considered Almost Impossible in Past

A hundred per cent efficacious blood treatment to overcome the poison of the fearful cobra has been discovered by Dr. Kaneo Kuwashima, member of the Medical Experimental Station of Taihoku Imperial University.

The doctor began his experiment with the Taiwan and Umbrella Cobras, the anti-toxin for which was considered almost an impossibility in the past and finally succeeded in developing a powerful anti-toxin from the combined poison of the two.

He further pushed forward his experiment until he could successfully counteract through his treatment the poisons of the cobras of French Indo-China, Thailand, Canton, Hainan Island, and Java, varieties which are distinctly different from each other. Thus, he has succeeded in developing a polyvalent blood treatment for snake poisoning which had been sought for a long time in the past by the scientific world.

This brilliant discovery was reported in all the microbiological conferences held in the various Imperial universities of the nation this year.

The significance of the present discovery is in the fact that the blood treatments for snake poisoning used in the past were all univalent, or, in other words, the treatment for Taiwan cobras could not be used for any other variety, and vice-versa.

ENGLAND RAIDED BY AXIS PLANES

East Anglia Section Again Suffers Heavy Damages by Bombers

Domei

LISBON, March 29.—German bomber squadrons again attacked the East Anglia area of the British mainland last night and rained bombs over a wide area, it is reported from London.

By this bombing raid, some damages were inflicted on ground establishments and also considerable casualties were suffered.

Reich Defense Strong

The strengthened national defense lines of the Reich forces was again ably demonstrated in successfully refuting the attack made by the Royal Air Force on Berlin on Saturday night, according to a Stockholm dispatch to Domei on Sunday.

The furious anti-aircraft fires alone endorsed the fact that the defense of Berlin had been markedly stabilized as compared with the defenses which existed a month ago.

The damages inflicted to the residential districts of Berlin in the attack on Saturday night are trifling in comparison with the casualties, which were suffered in the raid made on the German capital a month ago.

On Saturday night, the first formation of the British marauders which approached Berlin was repulsed at the outermost defense circle of the city, while the few enemy planes which reached Berlin were met by the furious fires of the anti aircraft guns which barked and roared at the enemy.

The British Air Ministry is maintaining silence on the details of its hapless attack on Berlin but was forced to admit the loss of nine planes.

Furthermore, it was disclosed that 10 warplanes were lost by the Britishers in the raid made on the west and northwestern portions of the German occupied-territory while one bomber and six Spitfires were lost in the attack made on the estuary of the Seine River.

Moreover, the detached squadrons of British warplanes which attempted to approach the coast of Norway on Sunday afternoon, were intercepted by powerful fighters of the Luftwaffe, which repulsed the invading planes after succeeding in downing two enemy craft.

China Observes Day of Rebirth

(Continued from Page 1)

baneful influences obstructing the work of the liberation of China. Finally with the stripping bare of the pernicious ambitions of America and Britain for the domination of East Asia, the War of Greater East Asia broke out, and the National Government from the standpoint of the spirit of "live or die with Japan" declared war against America and Britain on January 9 of this year.

The further development of the war and the unfolding of the various situations centered on China, such as the return of concessions by Japan, Italy and France, bears evidence to the fact that China's participation in the War of Greater East Asia harmonizes with the principles of Dr. Sun Yat-sen.

In this manner the war aims of the Chungking regime have been completely shattered and the National Government is gradually winning the wholehearted confidence of the 400,000,000 people of China. It is highly significant and momentous that the National Government should commemorate its third anniversary in such an epochal era of history and renew afresh the determination to wage the war to the final victory.

Japan, who has wholeheartedly fostered the growth and sincerely hopes for the development of the National Government, together the entire East Asia and the Axis nations offer heartfelt felicitations to the National Government of China on this auspicious occasion.

Brisbane Plane Crashes; 23 Persons Are Killed

The Australian transport plane, which left Brisbane winging its way toward Sydney on Monday, crashed to the ground on the outskirts of Brisbane and 23 passengers including two American and one Australian military officers were instantly killed, according to a Lisbon dispatch to Domei on Monday. The cause of the accident is still unknown and Australian Minister of Air Arthur S. Drakeford is reported to have immediately ordered an investigation into the cause.

Press Comments

(Continued From Page 1)

back even one step when these impediments are encountered. It is well to seek light, but never fall into self satisfaction by closing their eyes to difficulties.

There is no condition whatsoever attached to the new policy of Japan toward China. The Japanese officials as well as the public fully believe the declaration of the National Government of China to render all-out cooperation toward prosecuting the War of Greater East Asia. Japan looks with greatest interest the execution of responsibilities thus resting on the shoulders of the National Government.

The third aniversary of the founding of the Naional Government of China should not be spent simply in a congratulatory atmosphere but rather, it should be marked as the day to make a new start for the attainment of a still greater object.

'Asia Is One'

TOKYO SHIMBUN—It seems unnecessary at this stage to explain that the various regions under Japanese military administration such as the Philippines, Borneo, Burma, Malai, Java and Sumatra are full of many varieties of natural resources. They have rapidly recovered from the ravages of war and these resources are being developed with phenomenal dispatch, as even the enemy camp has apparently come to admit. It admits also that with the construction of these parts undertaken in real earnest, the fighting strength of Japan will steadily increase. Chungking, especially, is terrified over this fact and is tearfully entreating the United States and Britain to launch their much-promised counter-offensive on Japan and that quickly. It is for this reason that Chungking expresses bitter dissatisfaction each time the United States and Britain let slip their view that they regard the war against Germany as of primary importance.

Most amusing in this connection, is the fact that each time there is talk of a second front in Europe, Chungking points out that if the United States and Britain should concentrate all their strength on the European front, Japan is certain to take to a major offensive. In such an event what country would defend the Pacific against it? Thus, Chungking suggests that a second front should be left in Britain's charge and the United States should concentrate on its war with Japan, thereby endeavoring to hold the attention of the two countries to the Pacific.

Such an attitude on the part of Chungking constitutes its frank admission of the steady progress being made in the Japanese-occupied areas and the corresponding increase in the fighting strength of Japan. It happens that the construction work being accomplished in these parts is far beyond anything Chungking or the Anglo-American camp would admit and the strengthening of Japan's striking power on the material side as well as the moral transcends their stunted imagination. The very course of the War of Greater East Asia has amply demonstrated that their miserable defeats were the result of their having underestimated Japan's strength. Japan has grown so powerful in respect of material supplies in addition to its innate moral strength that it is confident of making its enemies regret forever should they again underestimate its total strength.

The increase in material strength is being supplemented by an increase in moral strength with the various races under the Japanese military administration coming more and more to understand the great mission of Japan and are fast turning into fighting races. That the material strength of Japan has so amazingly been augmented is decidedly owing to the willing cooperation being given by these peoples and to the fact that Japan's aims have come to be more thoroughly understood.

That within so short a time Japan has been able to gain the loyal allegiance of these peoples attests to the ruthless exploitation under which they have groaned for release. When our enemies admit the increase in our material strength, they cannot but admit the solid moral unity of Japan and these peoples, which is deeper and stronger than anything they can imagine. The "Asia is one" idea which they once ridiculed is now turning into a boundless source of fighting strength for Japan and its allies.

CELEBES ACTION BY NAVY IS TOLD

Native Chief Tahir Describes Japanese Entry Into Enrekang

Domei

DJAKARTA, March 28.—The occupation of Enrekang, Southern Celebes, which was carried out by a Japanese Naval Landing Party a year ago, removed the colossal weight of Dutch oppression under which the native inhabitants suffered for 37 years, a native chieftain declared in a letter recently addressed to the Japanese authorities here, it is reported.

The letter of the chieftain called Tahir, recalled the unconditional surrender of the Dutch East Indies forces in Enrekang, Celebes on March 27 of last year.

"At the beginning of March last year, I received a letter from my father in Bankadjene, where he was a county superintendent.

"In the letter, my father lauded the discipline of the Japanese Forces, expressed his determination to cooperate with the Japanese Forces and predicted the surrender of the Dutch East Indies forces in Enrekang to the Japanese.

"My father in his letter urged me to leave Enrekang and cooperate with the Japanese Forces. The letter reached me through a villager of Bankadjene dispatched by my father.

"The villager did not carry with him the certificate of the Dutch forces and as a result he was imprisoned in the Dutch barracks. Commander Gortman of the Dutch forces seemed to be suspicious of me and demanded me to retreat with the Dutch East Indies forces into the mountainous regions.

"However, I refused to listen to the Dutch Commander, for I believed in the victory of the Japanese Forces and moreover I was desirous of their arrival as the saviours of the native inhabitants.

"However, Commander Gortman persisted. Finally I pretended to yield to his demand and promised that I would retreat into the mountainous regions the next morning following the Dutch East Indies forces.

"It was on the night of March 14 that I and two elder villagers left Enrekang for Pinrang, for I had been informed that the Japanese troops had reached there.

"On the following day we left for Parepare along with the Japanese troops, and fortunately we could get several motorcars there. Without delay we started for Rappang.

"Two days latter I was informed that the Dutch East Indies troops in Enrekang had decided to surrender unconditionally to the Japanese. I had no words to express my joy at that news.

"Before his surrender, Commander Gortman of the Dutch troops in Enrekang had persisted in his demand that I should return there. His object was obvious. He intended to kill me.

"On the morning of March 27, the Imperial Japanese Navy's Landing Party made a triumphant entry into Enrekang.

"I stayed in Rappang for a while and followed the Japanese Forces which had entered Enrekang. I was told by the commander of the Japanese Naval Landing Party to remain in Enrekang as the Rajah, for which I expressed my heartfelt gratitude.

"The Japanese Commander asked me, 'Are you happy since you were able to return to Enrekang, your native place?'

"I remember well how I answered. 'My joy is beyond description, Your Excellency, for our land and inhabitants were saved from the ravages of war thanks to the prowess of the Japanese troops.

"'In addition, all the Dutch people were ousted from Enrekang, thus removing a colossal weight of Dutch oppression under which we have suffered for 37 years since 1909. I, together with the inhabitants, express profound gratitude ot the Japanese Forces, Your Excellency.'

"The discipline of the Japanese Forces which we witnessed for 10 days in Rappang was the object admiration, particularly so, when the discipline of Dutch troops was considered.

"The Japanese occupation of Enrekang can be said to have served to make us Asiatic conscious and I pray that the Japanese Forces continue to guide us under the Rising Sun flag for the construction of the Greater East Asia Co-Prosperity Sphere."

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Joint Victory Effort Exhorted by Wang On 3rd Anniversary

(Continued From Page 1)

of the United States and Britain which is clearly manifest in their colonial policy. The Anglo-American nations mean to change the structure of the world on the basis of materialism.

"The moral doctrine of the East, however, respects a man's spirit, character and consciousness; in other words, it respects harmony among men. In an era of international blocs like the present, it is necessary first of all to love one's own country, love one's neighbor and love East Asia in order to realize harmony among men. Only then, can the common defense of East Asia be brought into being.

"The Japanese nation has been putting into practice various new policies, thereby completing China's sovereignty, rousing the spirit of patriotism among the Chinese people and fostering the revival of the Chinese Republic. These measures doubtless are beyond the scope of the Anglo-American utilitarians to understand.

"Prime Minister Hideki Tojo declared that a total victory in the War of Greater East Asia is within easy reach if the East Asiatic races are united into one body. Harmony among men is the prerequisite in this unity, and this cannot be understood by the treacherous Anglo American Powers.

China Affair Recalled

"I am confident that if China discards materialism it would be capable of cooperating with Japan in this war on the point of man-power. If harmony in man-power is effected, increased production in materials is highly possible. My determination toward the War of Greater East Asia completely differs from that toward the China Affair.

"Every conceivable effort had been exercised to prevent the outbreak of the China Affair but, unfortunately, to no avail. I was, however, confident that eternal hatred cannot exist between Japan and China even if hostilities break out between the two countries. Japan has stood at the very front line of the defense of East Asia since the Meiji Restoration and has become the senior nation of East Asia.

"If this spirit is overlooked, it will be impossible for China to gain independence. China can gain freedom and defend the whole of East Asia from the Anglo-American invasion only when the country, backing Japan, fights this common war.

"The current war is a struggle that will decide the rise or fall of the Greater East Asiatic races. If we are defeated in this war, various races in East Asia will share the same fate as the Africans, Australians and West Asiatics. The Chinese race is in a postion where, by supporting Japan from behind, it must share joys and sorrows and to live or die with Japan.

Power From Within

"The competency of China is rather poor, but the strength that contributes partially to a total war does not come from the exterior but from within. As such, it is necessary for the Chinese masses to withstand hardships, strengthen the structure of unity, respect discipline, strive for progress by cultivating ability and oust conservatism. These are the fundamental principles for organic development.

"Total war is not limited only to the military field; on the contrary, it requires a collective exhibition of political, economic, cultural and all other material and mental powers. The man-power of China reaches the vast figure of 400,000,000 but there are some qualitative deficiencies which are attributable to years of Anglo-American military, economic and cultural domination. The prerequisite is to completely wipe out this Anglo-American ideology and thus, to remove this racial deficiency.

"Since last year the Government has been fostering the new people's movement; a movement for the self-construction of the Chinese race. The late Dr. Sun Yat-sen, in recalling one of the precepts of Confucius, urged the people to awaken as true Chinese or East Asiatics. Progressive intellectuals of the present era have been internationalized and have forgotten the fact that they are Chinese. The idea of depending on Britain and the United States dominates not only the home but also the State. Forced to admit this state of affairs, we must turn out progressive East Asiatics. This can be done if we make an endeavor

"Though we have taken part in the War of Greater East Asia, we cannot forget our fellow-countrymen under Chungking's rule. We must encourage and stir them to rise to the occasion. If some of our nationals fail to rise as true East Asiatics, we will have to abandon them. Men of this category must be regarded as Anglo-American puppets. We must push the task of smashing the United States and Britain without cessation and at the same time, must exterminate such Anglo-American tools in a most thoroughgoing manner."

Nippon Times
Published by
The Nippon Times, Limited
TOSHI GO, President and Editor

TOKYO OFFICE:
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Telegraphic Address: "Times Tokyoyubin."
Furikae No. Tokyo 64848.

BRANCH OFFICES:
OSAKA. Dojima Bldg., Tel. Kita 1779.
YOKOHAMA. 157 Yamashita-cho, Tel. Honkyoku (2) 5240.
KOBE. 65 Naniwa-machi, Kobe-ku, Tel. Sannomiya 3970-71.

SUBSCRIPTION RATES:
One month, ¥5.00; six months, ¥28.00; one year, ¥55.00. Postage free to all parts of the Japanese Empire, Manchoukuo and China. For foreign countries, including postage, six months, ¥42.40; one year, ¥83.80. All subscriptions are payable in advance.

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Publisher and Printer: ....MASAO TAKAHASHI

Never Sheathe the Sword
Until Victory Is Won

Nippon Times

Win on the Home Front
And on the Battle Front

No. 15,806 (THE 18th YEAR of SHOWA) TOKYO, TUESDAY, MARCH 30, 1943 第三種郵便物認可 昭和十五年十二月二十七日 Price 15 Sen

SINO-JAPANESE ECONOMIC TIES STRESSED AT MEETING IN TOKYO; TOJO, AOKI ADDRESS GATHERING

Japan's Leading Financial and Industrial Leaders Exchange Views

COOPERATION URGED

National Government's Policy Will Be Given Paramount Respect in Activities

On the occasion of the third anniversary of the return of the National Government of China to Nanking today, a meeting of the Japan Chapter of the Japan-China Economic Council to discuss the economic cooperation of the two countries was held at the Prime Minister's official residence under the sponsorship of the Greater East Asia Affairs Ministry Monday.

Stressing the importance of full development of Sino-Japanese economic relations, Prime Minister General Hideki Tojo requested the all-out cooperation of Japan"s financial and industrial leaders, especially those connected with business activities in China. Kazuo Aoki, Minister of Greater East Asiatic Affairs, spoke in a similar vein.

Significance Attached

A great significance is attached to the meeting because of the fact that Japan's China policy has undergone a signal shift since January 9 when the National Government participated in the War of Greater East Asia on the side of Japan to crush America and Britain, and because Japan has taken an epochal step of retroceding its concessions to the National Government and relinquishing its extraterritorial rights in China.

The new Japan-China economic relations, which are bound to evolve in an entirely fresh atmosphere, are epitomized in three key points, the Asahi said. First, any idea related to international rights and interests of Anglo-American feature that make China their quasi-colony is completely given up; second, in the management of Japanese enterprises in China, China's policy is paramountly respected and anything that may hamper or rival Chinese enterprises is not allowed to exist; third, any enterprise in China must stand on the basis of mutual deep understanding of Japan and China.

Besides Prime Minister General Tojo, Greater East Asia Affairs Minister Aoki, Monday's meeting was attended by Director of the Military Affairs Bureau Major-General Kenryo Sato of the War Ministry, Director of the Naval Affairs Bureau Rear-Admiral Keijun Oka of the Navy Ministry, and other Government officials concerned. Representing private organizations interested in Japan-China economic relations the following persons also attended:

Tadaharu Mukai of the Mitsui Bussan Kaisha; Kanzo Tanaka of the Mitsubishi Shoji Kaisha; Saburo Nango, president of the Trade Control Association; and 14 others from trade circles; Komanosuke Sasaki, president of the Oriental Development Company; Kinichi Kawakami, president of the Industrial Bank of Japan; Hideshige Kashiwagi, president of the Yokohama Specie Bank; Tetsusaburo Tanaka, president of the Bank of Chosen; Yakichi Suitsu, president of the Bank of Taiwan; and two others from banking circles; Admiral Teijiro Toyoda, president of the Japan Iron Manufacturing Company; Saburo Kawashima, chairman of the board of the Mitsui Mining Company; Sentaro Komura, chairman of the board of the Mitsubishi Mining Company; and three others from mining circles; Shingo Tsuda, president of the Kanegafuchi Spinning Company; Gengo Kodera, president of the Dai Nippon Spinning Company; and six others from spinning circles; Shunnosuke Furuta, director-in-chief of the Sumitomo interests; Yasuji Shimizu, president of the Toa Steamship Company; Colonel Tsuneo Kodama, president of the Japan Airways Company; Hisanobu Terai, president of the Nippon Yusen Kaisha; Eitaro Okada, president of the Osaka Shosen Kaisha; Noboru Otani, president of the Shipping Management Association; and 16 others.

Toyotaro Yuki, Governor of the Bank of Japan, and Juichi Tsushima, president of the North China Development Company also attended.

Speeches by Prime Minister Tojo and Greater East Asiatic Affairs Minister Aoki were followed by an enthusiastic exchange of views be-

(Continued on Page 2)

Nanking Government Increases Advisers To Bolster Structure

The National Government of China at Nanking has enlarged the number of its economic advisers in order to strengthen further its wartime economic structure and has appointed on Monday, according to Domei, the following five Japanese as new advisers: Morizo Kaiguchi as adviser to the All-China Economic Commission to be stationed at Nanking; Tatsuichiro Funatsu at Shanghai; Chikafumi Kawakami at Hangchow; Kiyoshi Harada at Pengpu; and Takasuke Enomoto at Hankow.

CHINA ANNIVERSARY TO BE FETED TODAY

Prince Takamatsu to Honor Function at Chinese Embassy; Tojo Also to Attend

An elaborate luncheon commemorating the third anniversary of the return of the National Government to Nanking will be held under the sponsorship of the Chinese Embassy in Tokyo at the Imperial Hotel at noon today.

His Imperial Highness Prince Takamatsu will honor the occasion with His Imperial Highness' presence. The function also will be attended by Prime Minister General Hideki Tojo, other Cabinet Ministers and a large gathering of official dignitaries and private persons from various quarters.

The Chinese side will be represented by Ambassador Hsu Liang and all other embassy staff members as well as the director of the Tokyo office of the Central Reserve Bank of China, and others. Members of the diplomatic corps in Tokyo have also been invited to attend. Ambassador Hsu Liang will make an address, to which an appropriate message of congratulations will be made by Prime Minister Tojo.

At the same time, radio messages will be exchanged between Greater East Asiatic Affairs Minister Kazuo Aoki in Tokyo and Chinese Foreign Minister Chu Minyi in Nanking at 7:30 p.m. the same day.

Agreements Effective Today

All three agreements which have been concluded between Japan and China under the terms of the Japanese-Chinese Agreement of January 9 concerning the rendition of Japan's concessions in China and the relinquishment of Japan's extraterritorial rights in China will go into effect today, on the auspicious occasion of the third anniversary of the return of the National Government of the Republic of China to Nanking.

The first of the series of agreement was signed on March 14 concerns the rendition of exclusive Japanese concessions in Hangchow, Soochow, Hankow, Shasi, Tientsin, Foochow, Amoy and Chungking.

The second was concluded on March 22 and concerns the restoration to the National Government of Japan's administrative rights over Peking Legation Quarter.

The last was signed on March 27 and concerns the restoration to the National Government of Japan's administrative rights over the Kulangsu international settlement on Amoy Island.

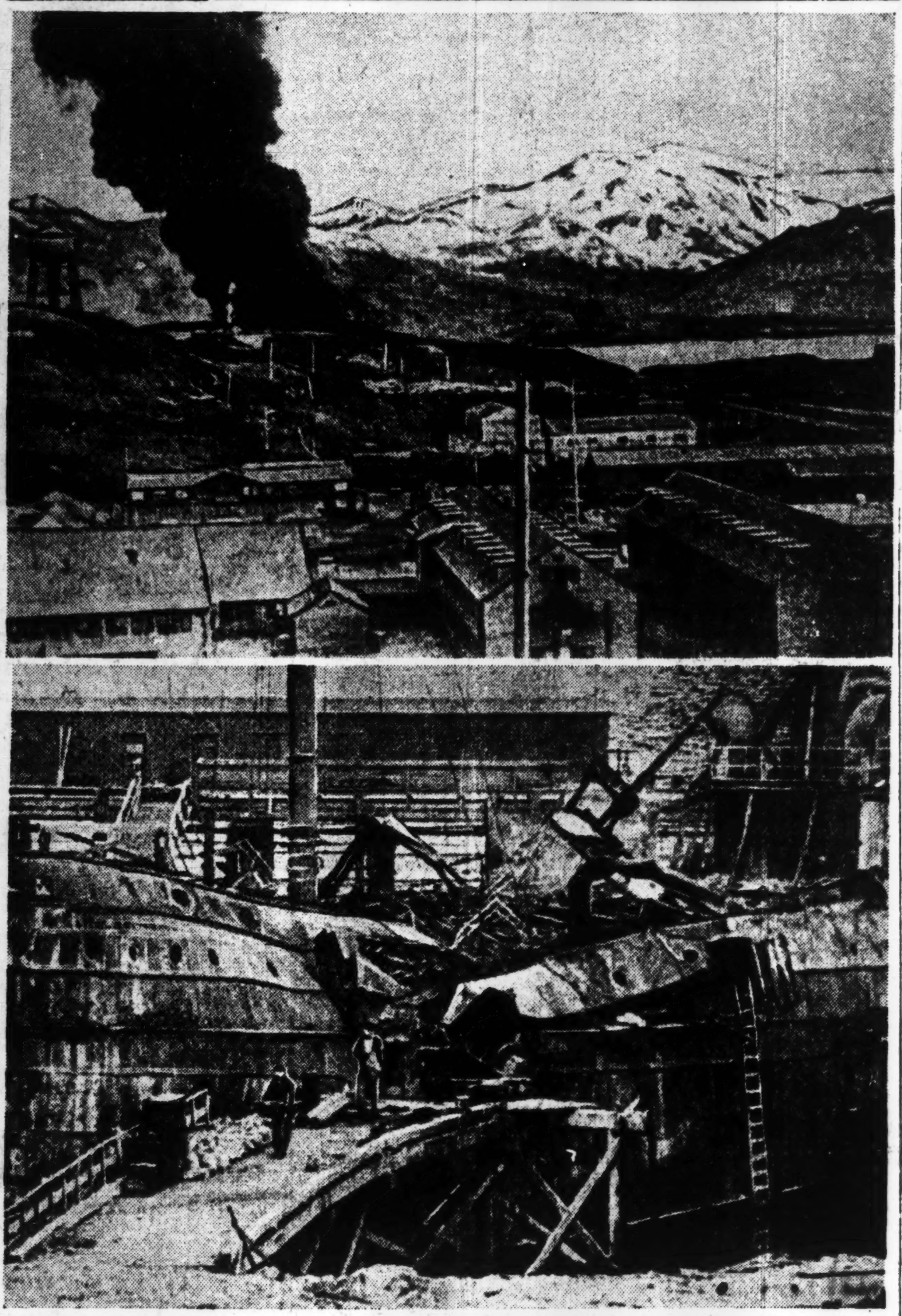
France, Italy, and Spain, which have interests in the legation quarter in Peking, have reached an agreement with the National Government regarding the rendition of these quarters. In a day or two the agreement will be placed in effect.

In the matter of restoring administrative rights over the Kulangsu International Settlement to the National Government, France, Spain, Sweden, and Denmark are expected to follow Japan's example.

Vatican Protests to British

ROME.—Vatican authorities have lodged a complaint in London regarding the treatment of diplomatic couriers by British authorities in West Asia, it was learned here.

Results of Dutch Harbor Raid



Mute, graphic testimony to the devastating accuracy of the Japanese Air Units is given in the above pictures taken immediately after a raid on Dutch Harbor. The upper picture shows a huge column of smoke soaring skyward from a blasted oil tank, while the lower photograph shows the survivors from the overturned, wrecked ship Northwestern being rescued from the broken hull. Both pictures were taken from a recent issue of an American magazine.

(Passed by the Navy Ministry)

CHINA RISES IN 3 YEARS

Brilliant Progress Witnessed During Brief Space of Time Since the Return of the National Government To Nanking in 1940; Japan Extends Vital Aid

Domei

NANKING, March 28.—The National Government of China, under the able leadership of President Wang Ching-wei, has made brilliant progress in spite of many hardships during the three years since the return of the Government to Nanking in 1940.

With the third anniversary of its return to Nanking now at hand, the National Government of China inspired by the spirit of independence for China, is further bolstering its determination to defeat the Anglo-American powers in cooperation with Japan.

On this auspicious occasion, it is fitting that the history of the development of the National Government of China during the past three years be briefly reviewed.

The first year, 1940, has been called "a year of concluding treaties" by President Wang Ching-wei. Defying the various difficulties created by the China Affair, the National Government, while perfecting its reorganization as the central government, during its first year concentrated on the conclusion of a basic treaty with Japan, with the object of establishing permanent Chinese-Japanese cooperative relations.

Treaty Signed

The Sino-Japanese negotiations carried on at Nanking from July 5, 1940, despite various vicissitudes, reached a compromise on August 30 through the sincere efforts and understanding of the two countries. The treaty, which was signed on November 30 at Nanking after a lapse of two months, together with the Japan-Manchoukuo-China Joint Declaration proclaimed on the same date, has a vital significance.

With the conclusion of this basic treaty and the inauguration of Wang Ching-wei as President of China on February 29, 1941, the National Government became in both name and fact the central government of China. The various concrete conditions underlying the treaty, which awaited fair solutions thereafter, rigorously prescribed subsequent Sino-Japanese relations and, consequently, the course of the National Government of China.

The second year, 1941, was a "year of putting the treaty into effect." On February 1, the Nanking Government established the China General Meeting of the East Asia League. Pushing a policy of sharing together the fate of Asia, the Nanking Government hoisted high Dr. Sun Yat-sen's Greater Asia Principles and challenged Chungking with its own doctrine of building up the country.

C.R.B. Founded

On January 2, the Central Reserve Bank of China was founded and a Peace Zone Committee was created on May 11. On July 1 this committee commenced work in the Soochow district. Questions concerning the people's livelihood, however, including that of prices and foods, still presented serious problems, while the adjustment of matters between Japan and China had not yet started on the right lines. Moreover, Anglo-American unjust oppression of Japan had become more and more noticeable, throwing an undeniable feeling of uneasiness within the peace camp.

However, Sino-Japanese relations were put on a solid basis by President Wang's first official visit to Japan during this second year. Upon his return to Nanking from this visit, President Wang effected the reorganization of the central government's machinery and hurriedly built up a structure to cope with possible war. Both Germany and Italy extended recognition to the Nanking Government on July 21, while Denmark (August 18) and other countries followed suit. On November 25 the Nanking Government joined the anti-Comintern Pact. Thus, the international position of the Nanking Government was greatly enhanced as a member of the anti-Axis camp.

People's Movement Launched

At the beginning of 1942, the third year since the return of the Nanking Government, President Wang Ching-wei proclaimed the launching of the New People's Movement decided

(Continued on Page 2)

Italy, France, Spain Expected to Give Up Peking Rights Soon

Political observers here believe that Italy, France, and Spain will agree to the retrocession of their respective administrative rights in the Peking Legation Quarter to the National Government of China within the course of today or tomorrow, through the good offices of the Japanese Government, it is reported by Domei. Meanwhile, on the other hand, the four Governments of France, Spain, Sweden and Denmark following the example set by the Japanese Government, are also expected to agree to the retrocession of their International Settlement of Kulangsu to the National Government of China. Under these circumstances, the retrocession of the International Settlement of Kulangsu by the aforementioned four nations to the National Government of China will be materialized in the near future.

8 ENEMY WARSHIPS SUNK AND 3 OTHERS DAMAGED; 19 AIRCRAFT SHOT DOWN

Waves of Japanese Aircraft Pound U.S. Installations on Guadalcanal

Imperial Air Units Blast Enemy Positions in Five Successive Attacks at Dawn Saturday; Australian Leader Gives Warning

Waves of Japanese Wild Eagles vigorously pounded the positions of the American forces on Guadalcanal Island at dawn, Saturday, in five successive onslaughts it was announced by the United States Navy Department on Sunday, according to a dispatch from Washington, relayed in a Buenos Aires report to Domei.

Meanwhile, Prime Minister John Curtin of Australia warned the populace to be prepared for a war of attrition, in an address made at a grand rally held in Sydney for the purpose of securing subscriptions for government bonds on Sunday, according to a Lisbon dispatch to Domei.

Extremely disgruntled over the anti-Axis policy of 'concentrating their war strategy on Europe, which was recently revealed by Prime Minister Churchill over the radio, Prime Minister Curtin declared in gist as follows:

"Since the anti-Axis nations are placing their entire efforts on subjugating Germany, Australia cannot expect aid until the aforementioned purpose is attained. Therefore, we must be prepared for a war of attrition with Japan, which may last from two to three years.

"If Japan should take Australia, the anti-Axis forces would lose an important base for its approach on Japan. If Australia should fall into the Japanese hands, the war would only be prolonged," he concluded.

Chittagong Night Raided

The headquarters of the British expeditionary army in India has issued a communique stating that a Japanese air unit bombed Chittagong on the night of March 23, according to a New Delhi dispatch relayed to Domei from Lisbon under date of March 28.

Navy Scores Brilliant Results in South and North Pacific

ORO BASE IS RAIDED

Heavy Damage Inflicted on A-Class Cruiser of Foe Off Atsuta Island

Brilliant results were achieved by the Imperial Navy in the South Pacific and in the North Pacific between March 15 and 28, the enemy losing 19 planes, two transports, one destroyer, one patrol ship, four submarines, and suffering heavy damage to one A-class cruiser, one B-class cruiser, one destroyer, and damages to military establishments, according to a communique issued by the Imperial Headquarters at 4 p.m. on Monday.

Imperial Naval Air Units on March 28 engaged enemy planes over Oro Bay in New Guinea and shot down 19 of them. In the same raid, they also sank one 8,000-ton enemy transport, one 5,000-ton transport, one destroyer and one patrol ship.

Off the Aleutians, west of Atsuta Island (formerly Attu Island), the Imperial Navy Forces severely damaged an enemy A-class cruiser and also inflicted damage on one B-class cruiser and one destroyer before the enemy fled in the easterly direction.

In three raids between March 19 and 26, Imperial Navy Air Units inflicted considerable damage on the enemy's military establishments in Canton Island in the South Pacific.

During the period from March 15 to 27, the Japanese Navy Force sank four enemy submarines, the communique revealed.

Communique Issued

The Imperial Headquarters' communique issued at 4 p.m. on Monday follows:

"1. Imperial Navy Air Forces in their raid on Oro Bay in New Guinea on March 28 engaged a group of enemy fighter planes reconnoitering over the area and shot down 19 of them. They also sank one enemy 8,000-ton transport, one 5,000-ton transport, one destroyer and one patrol ship. Our losses consisted of three planes which failed to return including those which self-blasted themselves.

"2. Imperial Navy Forces on March 27 discovered an enemy fleet composed of two cruisers and several destroyers in the area west of Atsuta Island. Our Forces sprang into action right away and pursued the enemy warships, dealing a heavy damage to an A-class cruiser. One B-class cruiser and one destroyer of the enemy fleet also were damaged. This caused the enemy to flee eastward. Our losses were very slight.

"3. Imperial Navy Air Forces bombed Canton Island three times during a period from March 19 to 26 and inflicted a considerable damage on the enemy barrack zone, airfield, sea base, hangars and other military establishments. All the Japanese planes returned safely.

"4. Imperial Navy Forces and Navy planes sank four enemy submarines during a period from March 15 to 27."

U.S. Admits Attack

The United States Navy Department on Sunday announced that Japanese Air Forces bombed the American forces' camp on Canton Island of the Phoenix Group and inflicted damage, according to a Buenos Aires dispatch to Domei on March 28.

A Lisbon dispatch to Domei on March 27 relaying a Melbourne wire states that the enemy's headquarters for the Southwestern Pacific announced on Saturday that Japanese Navy Air Forces bombed the Oro base.

New Squadron Dispatched

The 13th Air Squadron of the United States army has been dispatched to the South Pacific and is now operating in that area, it was announced by the United States War Department, according to a Buenos Aires dispatch to Domei on Sunday, in relaying a wire from Washington.

CHINA'S RISE HAILED BY NANKING SCHOLAR

Head of Examination Yuan Recalls Historic Return of Chinese Capital

Domei

NANKING, March 29.—One time professor in the University of California, director of oriental collections in the Congressional Library in Washington D.C., and lecturer at McGill University, Canada, President Chiang Kang-hu of the Examination Yuan of the National Government of China, greets the third anniversary of the return of the Chinese Government to Nanking with a deep retrospection of the past events leading up to the final liberation of China from the yoke of Anglo-Saxon imperialism and points to the great destiny lying ahead for the liberation of all Asia.

The Domei correspondent visiting the learned Government leader in the Examination Yuan today received the following statement.

China's Revival Fast

"Three years have already passed since the return of our capital to Nanking. In this period, the indefatigable toil of our friends has enabled us to establish the foundation for the revival of China. We have at last succeeded in freeing ourselves from the unequal burdens placed upon us from the outside for two long centuries to enjoy the freedom which we have today.

"On this happy occasion, however, there is one thing which saddens me greatly. It is the fact that Chungking still remains unawakened, and the fact that it still permits itself to remain a slave of the United States and Britain.

"If the Chungking element had joined us at the time we had returned our capital to Nanking, a general peace would be prevailing throughout China by now.

"However, it pleases me immensely to observe that with the outbreak of the War of Greater East Asia our Ally Japan was able to drive out the American and British influences completely from China, and I have no words to express my gratitude and that of all the Chinese people.

"What is more, Japan has subsequently taken the lead to return concessions to us and to abolish extraterritorial rights, and today China has been completely liberated. The National Government, as a result, has now gained a firm position in the world's concert of nations.

"As for Chungking, which continues in its dark path away from the straight path of justice and truth and which continues to try to cover its stumbling blunders with support from the United States

(Continued on Page 3)

CHOU FO-HAI CITES BLOW TO CHUNGKING

Financial Progress Made by Nanking Government Hailed By Finance Minister

Domei

NANKING, March 28.—Chou Fo-hai, Finance Minister of the National Government of China, issued a statement today in connection with the forthcoming third anniversary of the return of the Government to Nanking, that the nation made healthy financial and economic progress with its ever growing influence in collaboration with Japan impinging heavily on Chungking's politico-economic condition and affecting the psychology of people under its regime.

The statement which was issued by the Finance Minister from his sickbed in reply to a questionaire submitted by a Domei correspondent, gave definite assurance that no increase in taxes is being contemplated for the present time because of the healthy financial condition of the National Government, together with the increasing avenues of revenue.

Because of the outbreak of the War of Greater East Asia and the National Government's participation therein, the relations between Japan and China have become closer and the National Government's financial and economic policies have made steady progress, the Minister said.

Unification Important

Importance will be attached to the unification and adjustment of financial matters which have been in a chaotic condition with the object of concentrating the Nation's entire efforts for the prosecution of the current war. Accordingly, adjustment of all financial measures and economic organs has to be made in order to display the National Government's fighting power the Finance Minister said.

As the Chinese populace are now well aware of the fact that they have to pay taxes for the prosecution of the war, their tax-bearing power is on the increase, with corresponding satisfactory results. It is, therefore, not necessary to increase taxes or to issue bonds so far as no extraordinary disbursements are made, the Minister revealed.

Mr. Chou stressed that in line with the gradual advance in the commodity prices, it is possible to increase direct, indirect and commodity taxes. Hence it is unnecessary to take some special measures for tax increase. Thanks to a smooth and satisfactory development of the pacification movement, there has been a remarkable increase in the provincial tax revenue, while a healthy development of financial organization of provincial government is paving the way for an increase in the tax revenue.

Accordingly, Mr. Chou went on to say, the burden on the central

(Continued on Page 2)

SINO-NIPPON TIES UPHELD AT TALKS

(Continued From Page 1)

tween Government officials and representatives of private institutions of the economic cooperation and development of the two countries.

The meeting adjourned after they took part in the luncheon.

Prime Minister's Speech

The gist of the Prime Minister's speech follows:

"I take the opportunity of thanking you for the services which you have rendered to the state over a long period when economic relations between Japan and China were complex and complicated.

"The National Government of the Republic of China had adopted the attitude of sharing in the joys and sorrows of Japan. It was not long before it went beyond that and decided to live and die with Japan. Then it declared war on America and Britain, an act that demonstrated to the world that China would cooperate with Japan in bringing the War of Greater East Asia to a completely successful end.

"The occasion of China's entry into the war was taken by Japan to help the National Government to strengthen its political position in the spirit of Japanese-Chinese cooperation and unite with regenerated China in carrying on warfare.

"According to this policy of Japan the Government, concurrently with China's entry into the war, published a joint Sino-Japanese declaration which pledged the two countries to work together for the overthrow of America and Britain.

"Then Japan concluded with China an agreement concerning the retrocession of concessions and the relinquishment of extraterritorial rights in China.

"Some time ago an agreement was concluded between Japan and China concerning details of the retrocession to exclusive concessions in China and the enforcement of the abolition of the Peking Legation Quarter.

"The new turn of things in Japan's relations with China has impelled the Government to decide to re-examine the policy which has been followed by it in dealing with economic questions about China.

Of Urgent Importance

"The matter of urgent importance to the Government is to effectuate the policy toward China which has been fixed. When I was in China some time ago I was delighted to see that the Japanese in China had a good knowledge of the import of Japan's policy toward China and did their things with great enthusiasm. To make this policy of Japan toward China succeed completely, it is necessary for you, who are leaders of enterprises interested in China, to understand Japan's intentions toward China throughly and promote their realization. The day is past when one with interests in China could do things as one pleased. It is time that Japanese interested in China mingled and collaborated with the people of China. I hope that you will get closely acquainted with the hopes and desires of the Government of China and see that your subordinates working in China have a good knowledge of what the Government hopes of Japanese interested in China."

The speech of the Greater East Asia Affairs Minister follows:

"In regard to the enforcement of the new China policy, the Government is determined to carry it out regardless of obstacles and at the same time it intends to reduce friction to the minimum and assure smoothness in the process.

"Before the War of Greater East Asia, our economic activities in China were hampered by the fact that we had to contend against the antagonism of the anti-Japanese elements and against the obstructionist conspiracy of the United States and Britain operating with their concessions as their bases. Also, since the China Affair, we had had to undertake various special economic activities to meet the needs of warfare. For these reasons, our economic activities tended to be carried on on the basis of special privileges and rights and interests, breeding antagonism between Chinese and Japanese enterprises.

"With the outbreak of the War of Greater East Asia, however, Anglo-American influence, the greatest rival force in China, was completely swept out of the country and with the National Government and the people of China manifesting all-out trust in us and cooperation with us, all such ideas as antagonism and international rights and interests have been liquidated and it will now be our common task to promote a friendly economic entente on the basis of Sino-Japanese peace.

"It will not be an easy thing for those who have operated enterprises for many years in China to alter their manner of thinking all at once in accordance with the dictates of national policy. On this point, therefore, I request that you will guide and incite such enterprisers to the proper channels.

"Even after the establishment of the new relationship between China and Japan, those Japanese enterprises that have been operated in China will not, except in special cases, be expropriated or closed. It is only proper, however, that suitable readjustments should be ordered to those enterprises to which peculiar importance has been attached for wartime reasons, in accordance with the new China policy. It is also to be expected that the managements of those enterprises which are involved in the transfer of enemy assets should be changed. At any event, it will be our endeavor to bring about fair and equitable adjustments calculated to promote Sino-Japanese cooperation.

"In the operation of Japanese enterprises in China, the policies of the Chinese Government regarding industrial financing and other matters will be respected and care taken to check any tendency as would impair the development of Chinese enterprises or prove contrary to their interests. Full cooperation will be given by accommodating capital, participating in their enterprises and supplying industrial technique. The primary consideration is to keep in step with the autonomous development of China. I hope that you will work in accordance with national policy by subordinating the interests of individuals or individual companies to the cause of Sino-Japanese entente and the prosecution of the War of Greater East Asia.

"It is only natural that in view of the new relationship between China and Japan the responsibility of the Chinese should grow heavier than ever. President Wang Ching-wei and other leaders of the National Government are manifesting their sincere appreciation and sense of grave responsibility over the policy expressed by the Empire and the measures it has taken to implement it. There is a great future before the autonomous construction of China.

"Not only within the National Government but also among the more influential businessmen of China there is a tendency to dedicate themselves to the cause of constructing a New China and we feel greatly reassured on this point.

"If with your rich experience and superb insight you will give us your full cooperation for the swift and smooth enforcement of the new policy, I am confident of a splendid future for the development of the new relationship between China and Japan. It is my earnest desire especially that the general managers and managers of branch offices and bureaus of companies, who are actually on the scene, should thoroughly understand the points I have raised, scrupulously observe the spirit of the new policy whether operating their enterprises or contacting Chinese people and exercise guidance over their subordinates so that all would work as the vanguard of national policy, instead of being engrossed merely in advancing the business of their enterprises."

Important Economic Meeting Held

The photo shows Prime Minister General Hideki Tojo, standing at right, addressing the meeting of the Japan Chapter of the Japan-China Economic Council Monday morning at the Prime Minister's official residence. Important matters toward Sino-Japanese economic collaboration were discussed.

Picture of Mt. Fuji Shown on New Stamp Issued in Philippines

Domei

MANILA, March 29.—For the first time since the new Philippines was born, new two and five centavo stamps will be issued on April 1, it was announced here today by the Communications Bureau. The new five centavo stamp will bear the figures of Mt. Mayon, famous mountain in Luzon Island, and of Mt. Fuji of Japan, symbolizing the ever-lasting brotherhood between Japan and the Philippines. On the new two centavo stamp will be printed a scene of rice planting, the symbol of agriculture in the Philippines.

Today's Press Comments

Tuesday, March 30, 1943

(Excerpts from important editorials which are appearing this morning in the leading vernaculars are published herewith. Translations of other editorials will be found daily in the Evening Edition of the Nippon Times.)

Celebrating Third Anniversary of National Government's Founding

ASAHI—The new China today welcomes the third anniversary of the founding of its National Government. This has been the first commemoration of its establishment since the participation of that Government in the War of Greater East Asia. We pay our sincere respect to the great efforts of the leaders of the new China for that country has realized the present-day development defying an adverse current of the world situation and siding with Japan in the task of constructing the Greater East Asia Co-Prosperity Sphere. Japan transferred the administrative rights over the former British concessions in Tientsin and Canton to the National Government on March 30, 1942, the second anniversary of the founding of the National Government. Today Japan will retrocede its administrative rights over the Peking Legation Quarter and concessions in China to the National Government. This together with Japan's relinquishment of extraterritorial rights will accelerate the emancipation of the old China to a new China. In this sense, today is doubly significant.

The development of the National Government in the three years since its founding at Nanking is the fact deserving a special space in the history of the world, like the founding of Manchoukuo. By reforms in its political structure the Government has strengthened its centralized power; made its political power penetrate to all parts of its territory by regulating and expanding its army, expediting its pacification work and establishment of communal solidarity and increased its fighting strength by restoration of peace and order, successful reforms in its currency system and rationalization of production plans. There can be no quesiton that the restoration of all the army-controlled plants to their Chinese owners by our country has enormously contributed to the economic rehabilitation of China.

Thus the three points emphasized by President Wang Ching-wei in his New Year speech, heightening of wartime consciousness through the promotion of the new national movement, restoration of peace and order and expansion of productivity, are steadily seeing realization. That the Government and people of New China are positively participating in the War of Greater East Asia promises an even brighter day for the fourth anniversary of the capital-founding.

In his instructions at the second session of the military council President Wang urged the need for those present at the meeting to be humble and show self-restraint. He wanted his hearers to be humble to friendly nations and made an effort to regenerate China. We should think that we may be justified in thinking that the state of development which has been attained by China was made possible by the strenuous efforts made by the people of China to strengthen their country and by the measure of aid given by Japan to China. There has of late been talk of changing Japan's policy toward China. To improve the state of things is not so easy as changing the mind. The third anniversary of the return of the National Government to Nanking should be the occasion for us to take to heart President Wang's talk about the virtues of humbleness and self-restraint.

UNIVERSITY STUDENTS FIND OLD EARTHENWARE IN CHIBA

1,600-Year Old Articles Including Stone Weapons Unexpectedly Discovered

Old earthenware and stone weapons of over 1,600 years ago have been unexpectedly excavated in Chiba Prefecture while hitherto neglected hill areas were for the first time being turned up for cultivation by a party of Waseda University students during their holidays, according to the Tokyo Shimbun.

Discovery of abundant materials for archeological research work has been known in this part of Chiba Prefecture for the last ten years by leading archeologists of Japan, who have already conclusively identified several earthenware with Ainu hieroglyphics as well as those used by early Japanese, it is said.

The newly excavated wares are supposed to signify the sites of a Buddhist Temple of the Nara period.

Indians Withdraw Savings

BANGKOK.—Since the outbreak of war, 500,000,000 rupees have been withdrawn from postal savings accounts in India. Deputy Jamnadas Mehta announced at this morning's sitting of the Legislative Assembly, according to reports from New Delhi. The deputy ascribed these withdrawals principally to the fact that the population had been obliged to draw on its savings to meet the high cost of living.

Y.C.A.C. PRESENTS PRIZES TO BADMINTON CHAMPIONS

Winners of Spring Tournaments Honored at Dinner on Sunday Evening

A badminton dinner was held at the Yokohama Country and Athletic Club Sunday evening, at which the presentation of prizes to the various winners of the spring badminton tournaments was held. Over 60 persons attended the function and the presentations were made by Mrs. Sardaigne, assisted by G. Agajan. Appropriate speeches were made by E. Dentici, who was chairman for the occasion, G. Agajan and A. Weiss captain and vice-captain of the badminton section respectively.

The list of winners follows:

Men's singles championship: Won by G. Agajan, runner-up E. Eymard. Men's singles handicap: Won by E. Eymard, runner-up G. Agajan. Ladies' championship singles: Won by Miss H. Lord, runner-up Miss Hardvendal. Ladies handicap singles: Won by Miss C. Eymard. Ladies' handicap doubles: Won by Miss C. Eymard and Miss M. Prohaska, runner-up Miss R. Eymard and Miss Hardvendal. Mixed handicap doubles: Won by Miss M. Andreis and E. Eymard. Mixed championship doubles: Won by Miss Hardvendal and G. Agajan, runner-up Miss R. Eymard and E. Eymard. Men's handicap doubles: Won by E. Eymard and Kaufmann, runner-up A. Weiss and J. daSilva. Men's championship doubles: Won by A. Weiss and F. Harriss, runner-up E. Eastlake and F. Eastlake.

CHINA OBSERVES CAPITAL RETURN

(Continued from Page. 1)

upon in the Fourth Plenary Session of the Central Executive Committee of the Kuomintang Party held on November 9 of the previous year. The movement, together with the peace zone operations, constituted the two major national policies. One metaphysical and the other physical, they constituted the reform movements designed to break down the old order within the country affected by Anglo-American influence. While cultivating among the people through these two movements a cooperative measure for the prosecution of the War of Greater East Asia, the Nanking Government waited for the approach of the right time to act.

The glorious achievements of Japan in the War of Greater East Asia heightened the morale of the peace front and greatly lessened Anglo-American influence. Meanwhile, the frequent visits of the leaders of Japan, Manchoukuo and China, including President Wang Ching-wei's visit to Manchoukuo on May 4, the visits to Japan of Foreign Minister Chu Min-yi on May 27 and of Finance Minister Chou Fo-hai on July 12 and the visit to China of three special Japanese envoys on September 22, further bolstered the cooperation among these three powers.

Fapi Banned

Internally, the position of the Central Reserve Bank of China's note was firmly established by the wholesale banning of the fapi effected on May 27, while the peace zone operations began to show effective results.

China's position then may be likened to spring grass shoots about to appear, but suppressed by heavy snow over their heads. The realization of the promises which Japan gave to China depended upon the outcome of the War of Greater East Asia and the establishment of an impregnable position against the Anglo-American powers. At that time, the Nanking Government should have cast away the intention of effecting wholesale peace by a union with the Chungking regime and there was also no room for hesitation in fighting against the traitor of East Asia even at the risk of a war between fellow Chinese.

Finally the appropriate time came in December 1942. Since the Chungking regime could not dispel its illusion of faith in Anglo-America, even lending its airfields to the Anglo-Americans as a base for the slaughtering of its own countrymen, President Wang Ching-wei declared in a press statement on the first anniversary of the War of Greater East Asia that he had given up all hopes of winning over Chungking to his cause and that no general peace could be achieved without the collapse of the Chungking regime.

New Stage Dawns

The bravery of the Japanese Forces drove the Anglo-Americans out of East Asia, and Japan reached the stage where it could return for China's cooperation, with a true feeling of brotherly love.

On December 20, 1942, President Wang Ching-wei made his second official visit to Japan and in a historical meeting with Prime Minister General Hideki Tojo, proposed that China join the war. Having obtained Japan's endorsement, President Wang returned to Nanking on December 27 and immediately began preparations for the National Government's war entry.

On January 9, this year, China finally declared war against the United States and Britain. Since then, along with the new turn in Japan's policy toward China, there has taken place a vigorous reawakening among the Chinese. An epochal reorganization of the political structure was effected on January 13 and political and economic measures now are being put into effect one after another with unbelievable speed.

Among these are included the agreements for the retrocession of Japanese concessions and relinquishment of territorial rights signed at the time of Nanking's war declaration, the transfer to China of over 1,000 items of enemy property by Japan on February 8, the abolition of restrictions on the movement of goods in the lower basin of the Yangtze River, and the reorganization of the economic control machinery on March 16. These agreements are the crystallization of Japan's good faith and her sincere desire to enable China to completely regain sovereignty and to stabilize the livelihood of the people by the rehabilitation of Chinese economic power.

The National Government of China will welcome the third anniversary of its return to Nanking in a really happy mood. The bright prospects now in store for China are the same as those which all peoples of East Asia are looking forward to and no amount of hardships and sufferings will ever deter them from realizing them.

Good-Bye to Tokyo

Concluding his historic stay in Tokyo, Prime Minister Ba Maw of the Burmese Government together with the other leaders of Burma, is shown just before his departure from Tokyo Station Monday morning. High Japanese Government officials as well as friends were at the station to see the Burmese party off.

Ba Maw to Visit Grand Shrines at Ise; Given Hearty Send-Off at Tokyo Station

Prime Minister Ba Maw of Burma and his colleagues, who left Tokyo for Nagoya Monday morning, will visit the Grand Shrines of Ise to pay their respects.

Those who saw the Burmese leaders off at the station on Monday included Lieutenant-General Kyoji Tominaga, War Vice-Minister, Vice-Admiral Yorio Sawamoto, Navy Vice-Minister, Shunichi Matsumoto, Foreign Vice-Minister, Naoki Hoshino, Cabinet Chief Secretary, Shimpei Takeuchi, Director of the General Affairs Bureau of the Ministry of Greater East Asiatic Affairs and others.

Attracting particular attention among the many senders-off were an old Japanese woman and a young girl, who bade farewell to the Burmese Prime Minister on the station platform shaking hands with him. They were Mrs. Tsukasa Suzuki and her daughter who came here all the way from Hiroshima to meet Prime Minister Ba Maw.

It was learned that Dr. Tsukasa Suzuki as attending physician to Prime Minister Ba Maw stayed in Burma for 30 long years and took care of the Burmese leader from his boyhood.

Immediately before the train moved, the Burmese Prime Minister thanked Foreign Vice-Minister Matsumoto for all the courtesy extended to him and his colleagues and expressed the hope that he would have a chance to see the magnificent view of Mt. Fuji on his way from Tokyo to the Kansai district.

Ex-Hopei Governor Makes Donation To War Ministry

Wu Tsan-chou, former Governor of Hopei Province, and now member of the North China Political Affairs Commission, who is visiting here, called at the War Ministry on Monday to contribute ¥1,000 in commemoration of the third anniversary of the return of the Chinese Government to Nanking. Mr. Wu is known for the great part he played in the construction work in North China since the outbreak of the China Affair and is now visiting here as a representative of the National Government of China to participate in the series of invitation lectures commemorating the third anniversary of the Chinese Government's return to Nanking sponsored by the East Asia Development Federation.

WALLACE REACHES CHILE

U.S. Vice-President Tells of Post-War Plans

Vice-President Henry Wallace of the United States arrived in Santiago Saturday, and on the following day, he spoke before the Chilean legislature and strongly espoused the post-war unification doctrine as being advocated by the Central and South American countries, according to a Domei dispatch from Buenos Aires.

Wallace declared that misgivings among the pan-American countries will be eradicated after the war, and that international border lines will lose significance in the world to come.

After his address in the legislature, Vice-President Wallace and President Juan Antonio Rios inspected a review of 30,000 participants from the Chilean army, the dispatch added.

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25,000 Farms Reestablished

REVAL.—Roughly 25,000 farms have been reestablished as a result of the introduction of agrarian reforms in Estonia, it is learned. A total of 1,520,000 acres of land was returned to their former owners after the Soviets had confiscated them.

Coffee Cultivated in Reich

BERLIN.—The first coffee plantation in Germany has been established at the village of Wasenweiler on Kaiserstuhl Hill, which is one of the warmest districts in the country.

CHOU FO-HAI SEES BLOW TO CHIANG

(Continued from Page 1)

government has been lightened and this is contributing much to the Government financially. Sundry taxes effective in various districts since the outbreak of the China Affair have been abolished, and the national life is now placed on a stabilized basis. It is obvious that the national wealth automatically increased because the populace are in easy circumstances.

It is impossible to explain the economic policy briefly as it has much to do with diverse matters, the Finance Minister pointed out. Under the existing state of things in China, importance has to be attached to a healthy development of agriculture, industry and commerce as well as to a smooth flow of commodities, exploitation of mines and encouragement of live stock raising.

As it is pointed out in the teachings of Dr. Sun Yat-sen, father of China, the ultimate purpose of China's revolution is to achieve equality and freedom for China and to realize this, China first of all, has to abolish those pacts which are unfair to the country, the Chinese Finance Minister revealed.

He further disclosed that Japan's recent actions of abrogating unequal treaties towards China by relinquishing its concessions and extraterritorial rights are clear proof that Japan is maintaining its immutable policy of equality and friendship with China.

Thus, the people of the National Government of China should understand the true significance of Japan and cooperate wholeheartedly with Japan for realization of the ultimate purposes of these two countries and of fighting this current war to a successful conclusion, he said.

Cooperation of the people starting from the individual, and this in turn, expanding larger into mass cooperation, is a way to enhance our country's name.

With such close cooperative actions going on between Japan and the National Government of China, Chungking will come to realize the great folly which it has undertaken for six years. Meanwhile, the surging tide of Sino-Japanese collaboration is greatly affecting the psychology of the people under the Chiang Kai-shek regime and making its influence felt in Chungking's political and economic realms, Chou Fo-hai, Finance Minister concluded.

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U.S., BRITAIN SPLIT OVER SOVIET ISSUE

No Hope of Success Seen for Eden's Talks; Squabble Over Atlantic Charter

Little hope is held out by political observers that British Foreign Secretary Anthony Eden, who is in Washington trying to reach an agreement with America that would end the tangle between Britain and America over the Soviet question, will ever succeed in his efforts according to a Domei dispatch from Buenos Aires.

The British Foreign Minister has been in Washington for two weeks. The last week end was spent at the White House, and on March 27 he was in conference with President Roosevelt and other leaders of the American Government for two hours.

A lively interest was shown in the meeting by the political circles of Washington, according to which the meeting was the most important the British Foreign Secretary has had with American leaders ever since he came to America. There is much speculation as to the matters which came up for discussion at the meeting. The view widely held in American political circles is that the American and British Governments are still at variance and that there will be a further meeting of the same persons who attended the meeting of March 27.

Nothing concrete has been discussed by the British Foreign Secretary in his meetings with American leaders, in the opinion of observers who are supposed to have an inside knowledge of the Anglo-American talks. What the British official and his American conferees have done has been to explore the possibilities of the views of the American and British Governments on the Soviet question and other matters of common interest.

The British Foreign Secretary has told an American audience at Annapolis that he came to America just to find out what the people of America are thinking about things.

All indications point to the likelihood that the British Foreign Secretary is endeavoring to have America agree to abandon the Atlantic Charter. He and the British Government consider that there is no other way of straightening out the differences between America and the Soviet Union.

It is not over the Soviet question alone that America and Britain are at dispute. There is quite a number of questions on which the two countries have to reach an agreement if they hope to work together with any semblance of harmony.

Soviet Question Difficult

The Soviet question is largely the question of the attitude of America and Britain toward the Soviet Government. On this phase of the Soviet question the American and British Governments have different views.

It is a well known fact that the British Government and Prime Minister Churchill of Britain take the realistic view that the hope of stabilizing Europe lines lies in the Soviet Union with its undiminished fighting power, and would incorporate the territorial claims of the Soviet Union in the plans for the adjustment of border lines of Europe, subject to the satisfaction of the needs of security.

The American Government cannot do things the way the British Prime Ministry would do them unless it is ready to nullify the Atlantic Charter which stands on the principle of racial self-determination. It is in no position to be indifferent to the Catholic element in America which shows itself anxious to have a buffer state formed by the small countries west of the Soviet Union.

As the Anglo-American talks in Washington drag on, leaving observers wondering whether they will ever get anywhere, the British Government, remembering its bitter experience of the first world war, is getting possessed by the fear that America may revert to the policy of isolation.

In this connection Raymond Clapper, a well-known commentator, made on March 27 a radio speech, the drift of which is as follows:

"The British people appear to be beginning to feel that the fate which befell President Wilson's 14 points will overtake the Atlantic Charter and that eventually Britain, the Soviet Union, and Chungking will be betrayed by America.

The British Government intends to gain exclusive control over Europe. This it proposes to achieve by cooperating with the Soviet Union and with American support.

"The American Government is showing itself reluctant to go into the quagmire of Europe. The thing desired by it is a general tie linking the countries opposed to the Axis."

It will not be surprising to observers if British Foreign Secretary Eden has decided that nothing will come of his talks with the leaders of the American Government. But these observers refuse to believe that the British Government will let things take their own course. Some of them are sure that the British Foreign Secretary is trying to have President Roosevelt agree to send Secretary of State Hull or Undersecretary of State Welles to Britain to talk matters over with the leaders of the British Government.

The recent radio speech of Prime Minister Churchill has been the occasion for a revival of the movement in America for a return to the policy of isolation from the rest of the world. The British leader's remarks, produced a sharp warning to Britain by William Bullitt, former American Ambassador to France. Speaking in New York, he said that an act of disloyalty to the Atlantic Charter by any of the group of countries opposed to the Axis would compel America to go back to the policy of isolation, disillusioned and disgusted.

Central Picture Records Office

VIENNA—A central picture records office for all branches of cultural life in Germany is being established in the Vienna National Library. So far it has a collection of more than 300,000 photographic negatives.

Around the Co-Prosperity Sphere

CHINA WOMEN TOLD TO PUSH WAR AIMS

Shanghai Body Makes Appeal Urging Them to Work For Asia Defense

Central Press Service

In an open letter to Chinese women in commemoration of International Women's Day, the Shanghai Women's Association declares that the growth of New China and the development of New East Asia demand added duties from women, quotes a C.P.S. dispatch from Shanghai. "We must not be satisfied with the acquirement of an equal status with men in politics, economics and legal rights," stresses the letter.

"In the past, we have struggled for our rights but in future we should bear our responsibilities in the salvation of China, the defense of East Asia and the reformation of the world. Our self-pride tells us that after having secured equal privileges with men, we cannot evade our responsibilities," continues the message.

The Shanghai Women's Association expresses the hope that modern women would exercise thrift and do away with luxurious habits in view of the skyrocketing of commodity prices and the increasing difficulty in maintaining a livelihood. "Whereas the Government is sparing no efforts in the control of prices, we should take passive steps to assist the Government in its price-control policy," adds the letter.

The Association also urges Chinese women to increase their knowledge and improve their vocational skill in order to fulfil their duties to greater satisfaction. It also urges them to devote more time in their studies and extend its sympathy to Chinese women laborers.

When united, Chinese women will prove very helpful to the reconstruction activities now being undertaken by the Government. "We must have a clear vision of the new era and advance toward the right direction," concludes the open letter.

Women's Rule Vital

Women should do their share in the task of national rejuvenation, stresses the Central China Daily News in an editorial on International Women's Day, reports a C.P.S. dispatch.

The women of all the main belligerent countries of the world are mobilized today. They are working in factories, hospitals, the army, and at the front. They are doing what the men are doing, and no less zealously and effectively.

In China, much remains to be done in this direction. Most of the Chinese women are occupied with household duties, and have no interest at all in national affairs.

"By this, we do not mean that no respect should be paid to Penates. On the contrary, they should be respected. The point is: While engaged in household routines, women should not allow themselves to lose sight of national affairs," continues the paper.

For example, in bringing up their children, they may very well sow the seeds of goodwill toward Japan, China's ally, and instilling into their minds the importance of Sino-Japanese cooperation.

Once intoxicated with individualism, women were clamoring for economic independence. This is inadvisable at this time, when totalitarianism is the only principle that can lead China onto the road of salvation.

Kalibapi Movement In P.I. Makes Big Strides In Rehabilitation Work

Manila Tribune

After the dissolution of all political parties in the Philippines, a National Service Association, better known as the Kalibapi, was established.

Among its laudable purposes are the rapid reconstruction of the country and the rehabilitation of its people through unity and the promotion of their welfare, developing among them such Oriental virtues as hard work, faith, self-reliance, loyalty, bravery, discipline and self-sacrifice; physical development of the race; strict adherence to the policies of the Imperial Japanese Forces in their administration, and to secure for the Philippines its rightful place in the Greater East Asia Co Prosperity Sphere as a worthy member thereof.

In line therewith, a Kalibapi member's pledge has been adopted. This is a modest attempt to interpret such pledge part by part.

1. "On my honor, I solemnly pledge to be loyal to the Japanese Military Administration and the Philippine Executive Commission."

Should Understand Japan

In order to comply therewith, it is believed that, first of all, every Kalibapi member should understand the true aims of the Japanese Military Forces in coming to the Philippines; namely, to liberate the Filipinos from Western domination and to prepare the country for membership in the East Asia Co-Prosperity Sphere. In fact Prime Minister General Hideki Tojo recently reiterated the promise of Japan to grant the Philippines her independence within the shortest time possible.

Secondly, he should know that the Philippine Executive Commission headed by Chairman Jorge B. Vargas is composed of Filipino leaders whose patriotism is beyond question; whose services to the nation are a credit not only to themselves but also to their country; and whose untiring efforts at rehabilitation and improvement eloquently speak for themselves.

After pondering on these facts, he can convince himself that he is duty bound to be true to that pledge and to be loyal to the Administration and the Commission.

2. "Never to disgrace the Philippines by my deeds."

This means that he must be a model citizen and try his best to be a leader in his neighborhood. As such, it is his duty not to deliberately do anything wrong, legally, morally or otherwise. He should, therefore, avoid the premeditated commission of any offense or crime.

Moreover, he ought to always bear in mind, that it is not enough that he does no evil deeds, but as Commissioner Alas said, he should "do the utmost good for the greatest number of people." He should thus crown his country with the glory of achievements and honor.

3. "To place the interests of the Nation above those of the individual. . . ."

Common Interests Aimed

Of course, influenced by Western civilization and intoxicated with too much personal freedom, it is rather hard for the Filipinos to forget their "selves" in favor of their country and subordinate their personal interests to those of the nation. But it is now high time that blind individualism should no longer have any place in the Philippines, because wherever it prevails, patriotism cannot exist. Nor can there be unity, so the nation becomes weak. Work for the commonwealth, that should be the slogan of a Kalibapi member.

4. "To discard all selfish considerations and past dissensions. . ."

Selfishness is abominable. It promotes the welfare of a person to the detriment of others. It begets dishonesty and other vices. It destroys. It should be shunned. Likewise, past dissensions must be discarded. All petty jealousies, personal differences, pernicious divisions and bickerings among the Filipinos in any line of endeavor must be stopped once and for all, for the sake of the motherland. There must be union to hasten the reconstruction of a New Philippines and to preserve its stability.

5. "To develop the native virtues that will give strength and happiness to the Filipino people. . . ."

Such Filipino virtues as hard work, honesty, loyalty, bravery, discipline, self-sacrifice, self-reliance, faith, and patriotism should be awakened if in lethargic state or encouraged if still in active existence, and all developed without loss of time. They are very essential in the building up of a national character which, well-founded and sturdy, can withstand adversity and the test of any danger.

Like "mulawen" posts, they can support with firmness and durability, the structure of the nation now undergoing reconstruction under the wise guidance of the Japanese Military Administration. Possessing again those virtues to the fullest extent will surely give strength and happiness to the Filipinos and finally entitle them to sit in the concert of free nations in East Asia under the benevolent and magnanimous leadership of Dai-Nippon.

As Sphere Unit

6. "To unite my mind, my heart and my efforts with those of my countrymen in the establishment of a Bagong Pilipinas as a useful unit of the Greater East Asia Co-Prosperity Sphere. . . ."

Undoubtedly, there is need for joint efforts among the people to work with heart and soul for the establishment of a New Philippines with the end of making her a useful unit of the Greater East Asia Co-Prosperity Sphere. To achieve this, every Kalibapi member should see to it that he does not only preach the precepts of the Association but also practices them without mental reservation.

7. "To respect and obey the orders of the Kalibapi and uphold the ideals for which it stands."

Law-abiding as a citizen should be, more so must a Kalibapi member be bound to comply with the orders of his Association and to propagate and defend its ideals: "The Kalibapi," said Director-General Aquino, "does not seek the glorification of one section or group of our people but the enhancement and permanent security of the whole Philippines—a Philippines unfettered and emancipated from Occidental inhibitions and mannerisms, a Philippines for the Filipinos!"

CHUNGKING GENERAL CASTIGATES CHIANG

Ex-Chief of State in Hopei Joins Nanking After Realizing Past Folly

Central Press Service

"So far I have labored under a mistake; now I see daylight again," remarked General Han Kao-sun, ex-Chief of Staff of the Chungking Army Headquarters in North Hopei, who came over to the National Government not long ago, as a result of his sudden realization of the folly of Chungking's resistance campaign and the wisdom of the Peace Movement, and the significance of the War of Greater East Asia, states a C.P.S. report from Tatung.

"Six years of resistance campaign have bled China white," he declared. "Before the advent of the Japanese Army, Communists ran roughshod over Chahar, Shansi, and Hopei and the people in these areas suffered terribly. Though I am now enjoying the fruits of the Peace Movement, I can never forget their hardships and sufferings during all these years.

"Chungking's resistance campaign is absolutely meaningless for all the Government officials of the Chungking regime have seized the chance to fish in the troublous waters. The people and the people alone are suffering

"Under that regime, Communists are poisoning the minds of the people with their wicked ideas, and are engaged in a tug-of-war with Chungking for power and territory.

"All this made me sick and opened my eyes to the folly of the resistance campaign, and to the significance of the War of Greater East Asia. Henceforth, I shall contribute every bit of my energy to the cause of national rejuvenation and the War of Greater East Asia."

Resistance Is Futile

"Chungking's resistance campaign is sheer humbug," declared Major-General Li Ying-ping, who lately joined the Peace Movement and was newly-appointed Garrison Commander of the Tsin-Hai area in North China, in an exclusive interview with Central Press at Tsingtao.

"The Peace Movement under the guidance of President Wang Ching-wei, and the sincerity of Japan's cooperation with China have finally opened my eyes too the fact that only peace can achieve China's salvation," continued the Major-General.

While expressing his regret that he joined the Peace Movement so late, he announced that he had had the intention to do so as early as the outbreak of the War of Greater East Asia, and that the National Government's declaration of war on Britain and the United States had a tremendous effect on him.

In conclusion, he pledged his allegiance to the National Government and stressed his determination to fight the Chungking regime and the Anglo-American Powers to the bitter end.

Youths Evading Conscription

Information from Chungking reveals that groups of able-bodied males in Chungking controlled areas have fled to the Peace Zone to evade compulsory Military service imposed upon them by the Chiang Kai-shek regime, says a report from Macao to Central Press Service.

In view of this undesirable situation, the Chungking authorities now strictly prohibit the departure of able-bodied youths from areas under their jurisdiction.

The situation has been worsened by bribery and other irregularities. Instead of preventing able-bodied youths to leave, soldiers and policemen are reported to be helping them to leave Chungking controlled areas.

CHINA RISE HAILED BY NOTED SCHOLAR

(Continued from Page 1)

and Britain, there remains nothing for it but to be crushed into extinction.

"Now that the foundation for the final victory in the War of Greater East Asia has been established, it remains for us of East Asia to think earnestly upon how the various races in the Co-Prosperity Sphere can bind themselves in an unshakable union and can cooperate closely with each other.

Family in Europe

"As for myself, my family is today scattered in Europe, the United States, the South Seas, and Chungking, and I am at loss even to learn how they are faring.

"I am now alone here in the Examination Yuan and my sole recreation is the reading of books and the writing of poems whenever I find the time to do so. Mine is outwardly a very plain life indeed."

President Chiang Kang-hu of the Examination Yuan was born at Shang-ho, Kiangsi, 1885. Completing his studies in America, he returned to China to become director of the Peiyang translation and compilation bureau, senior secretary to the board of justice, professor of the Peiping Imperial University.

After serving for a time as a lecturer at the Tokyo Imperial University, he returned again to China to participate in the movement against Yuan Shih-kai, as a result of which he was forced to take refuge in America in 1915, where he lectured at the University of California. He received his Ph. D. there.

He was also for some time in charge of the oriental collections in the Congressional Library, Washington D. C., following which he returned to China to organize the Southern University at Shanghai with himself as president in 1922. He also organized the Socialist Party of China and was chosen its head in 1924. He next served as a lecturer at McGill University in Canada, as chairman of the department of Chinese studies in 1930. When he returned to China in 1934, he became a fervent exponent of the revival of Chinese culture.

When President Wang Ching-wei started his peace movement in the China Affair, he immediately volunteered to join the movement, and with the reorganization of the National Government in 1940 was appointed Vice-President of the Examination Yuan and concurrently Minister of Personnel. He was appointed to his present post in 1942.

The President of the Examination Yuan is an author of numerous books in both English and Chinese. He is 60 years old today.

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The Vendetta of Ako

EIJI YOSHIKAWA

Translated by Tsuneo Tomonaga
From Eiji Yoshikawa's 'Chushingura'

Chapter 31 The Test

Kuranosuke continued his drunken gambols even after Yodoya and his company had gone home. The sun was sinking below the western horizon when Oishi was still sipping his sake.

"He's a wonder when it comes to play," muttered the proprietor of the Sasaya, Kiemon Sasaya, in admiration. But he was not displeased, for it profited his business.

"Master." An agitated maidservant came in front of Kiemon.

"What?"

"Please come for a moment."

"Where to?"

"Master Uki is getting out of control. Please come."

"What has he done?"

Kiemon followed the servant at a run.

"Ah!"

The exclamation was ripped out of Kiemon's mouth when he saw what Oishi was doing. Oishi had piled up a number of kotatsu to form a dais, and he was standing on this dais, a writing brush in his hand, trying to write something on the new ceiling that the proprietor had fixed up only that Spring.

A waiting-woman was holding up an inkstone, and another was holding on to Oishi's waist, preventing him from falling.

Kiemon gulped. He was a keen business man, and the figures that had graced the foot of the bill for the construction of the new ceiling at once jumped into his mind.

"Master Uki, please put a limit to your play," he said.

Kuranosuke looked down at Kiemon's red forehead from his elevated position.

"Ha, ha, ha!" he laughed. "Did you become angry, landlord?"

"Is there a man who can remain unangered?"

"Never mind, never mind. I've written this much. Let me finish the rest."

Kuranosuke finished the rest of the sentence on the ceiling.

"Read this, landlord," he said urbanely.

" . . . . "

"If you don't like this, I'll pay for the repair. Come, don't get angry like that. This is what I have written:

'Today again I enjoy life
But tomorrow I know not.
What I fear is that
Suddenly you might snatch
Your sleeve away and go.
One must not stay too long
In the floating world.
Alas! I cannot stay here
Even for two nights!"

Kuranosuke read out aloud what he had written, and laughed uproariously. Still laughing, he collapsed into the arms of Ukibashi.

At that moment, Junai Onodera came in, and catching sight of the writing on the ceiling, he stood still in admiration.

"Ho," he said. "This is well written."

His hand passed surreptitiously over Kuranosuke's bosom. Kuranosuke took the scrap of paper, read it, and by some sleight of hand committed it out of sight.

Presently, Sukeimon and Matanojo came in, and the sake again flowed freely. The party threatened to last late into the night, but suddenly Kuranosuke said,

"Let's go."

The waiting-women tried to stop him, but he shook them off.

"It's nothing to be alarmed at," he said. "I suddenly thought of Okaru, and am anxious about her. I have to let her see me sometimes, you know . . ."

Okaru was the younger sister of Jirobei of the Ichimonji-ya near the Nijo Temple, and was noted throughout Fushimi for her beauty.

Genjiro Shindo, Kuranosuke's cousin, and Gengoemon Koyama, his uncle, had hit upon the plan of marrying him to Okaru as a measure to stop his reckless adventures in the pleasure quarters. And they had succeeded in placing her in Oishi's house in Yamashina.

Oishi treated Okaru kindly, but he did not lessen his trips to Fushimi.

"He's hopeless," sighed Shindo and Koyama, and gave up trying to reform him.

Some of Oishi's comrades decided that his pleasure seeking was in earnest after all, and Shogen Okuno even went to the length of sending a letter to Oishi, severing all relations.

"Let's go." Oishi stood up. "I want to see Okaru's face. When I am fed up of it, I will return."

Supported by the waiting-women, he staggered to the gate.

"A palanquin—we'll call a palanquin for you."

"I don't like palanquins," muttered Oishi, and walked out into the fast gathering gloom. The proprietor and the attendants stood at the gate, shouting compliments after him. Both sides must have breathed a sigh of relief when the distance had lengthened out of earshot.

In the streets rings of dancers had already formed themselves. Somebody shouted to Sukeimon telling him to dance. A dog barked at Kuranosuke. Sukeimon picked up a stone.

Junai Onodera went up close to Oishi a few times, and whispered something into his ear. Oishi pretended that he heard nothing, but he nodded, and whispered, "Behind."

Junai looked behind. Tokusai, a mantle over his head, was following them. Junai and Sukeimon glanced at each other and called a palanquin. They placed Kuranosuke inside the palanquin.

"Tomorrow, then," they said, and parted. Inside the palanquin Oishi suddenly seemed to collapse into a formless heap. The palanquin rocked along the road beside the lower Kamo river. Tokusai hastened after it.

He was joined by others who appeared from nowhere, until there were four men following Oishi's palanquin. Hyobu Chisaka's spy, Johachi Kimura, was one of them.

"One of you, try him out," he said curtly.

"Right, I will," answered a tall man with a red-sheathed sword thrust into his sash.

"All of you, hide," he whispered.

"All right, we'll report what we see."

They scattered in the evening shadows. All of them were spies sent out by Kira and Chisaka.

"Hoi! Wait! Hoi, Stop!"

The tall man shouted out and stopped the palanquin. The bearers, alarmed at this sudden interruption, left the palanquin and took to their heels. From inside the abandoned palanquin came a gentle snore.

"Traitor! Get up!" The man kicked open one side of the palanquin. Kuranosuke toppled out of the other side.

"Who—who's that?" Kuranosuke opened sleepy eyes and looked up at the big figure of the man standing above him.

The man rolled up his sleeves.

"Nobody. Only a samurai," he said.

"Samurai? I-er-see," mumbled Kuranosuke.

"Can you understand, fool of a samurai? You traitor, you scum of disloyalty, can you understand what is a true samurai?"

"Tell me your name, please tell me your name."

"Even I, a low samurai, cannot tell you my name. It would be lowering myself too much. I am a samurai who has no connection whatever with the Ako clan. But I cannot stand by and quietly watch your disloyal antics. What do you mean by this disgraceful conduct? Look at yourself! Do you call that a becoming figure for the Chief Retainer of the ancient Ako clan?"

"Are you angry because of that? I am very sorry. I beg you will overlook my conduct. . . ."

"What? Overlook your conduct? You coward, well have you said such weak-kneed gibberish. Fool! Fool of a Chief Retainer!. . . ."

The man placed his foot on Kuranosuke's shoulder and pushed him down on the ground as though he was treading on a frog. Kuranosuke had to place his hands between his face and the ground to prevent his nose being lacerated.

To Be Continued

Anything That's Worth Doing Is Worth Doing Well

From time immemorial Japanese artisans have excelled in making pottery, porcelain, cloisonne and other works of art. A famous Japanese epigram reads: "To say that anything is not worth while is to echo a poor mind."

Human Elements In Ceramic Art

Close Connection Seen Between Essence of Ceramic Work and Human Life

There is nothing more in common with the true soul of humanity than the intrinsic quality of pottery and porcelain, in the opinion of Mr. Kikusaburo Fukui. In a highly illuminating discourse on this subject for the Kokusai Bunka Shinkokai, which is reprinted here in part with the permission of the K.B.S., he writes:

There is a close connection between the essence of ceramic work and that of human life. To be more emphatic, I am even of the opinion that without the comprehension of the truth of human life we can never understand the truth of ceramic work.

There is an old epigram of the "Senryu" school which I am always happy to remember, "Yawarakaku kataku mochitashi hitogokoro." While the delicate sense conveyed in those brief lines cannot be adequately expressed in another language, I may translate it literally as follows:—"It is essential that the mind of a man should be at once pliable, yet firm in disposition."

My dear father was an inveterate versifier of the "Senryu" school. It was perhaps by a trick of fortune that he was, late in his life, made the head—the ninth in succession—of this school of epigramatists. One of his epigrams, "Tsumaranuto yu wa chiisana chiebukuro," which I remember always with affection may be translated as follows:

"To say that anything is not worthwhile is to echo a poor mind."

If you will permit me to be personal, I have had many experiences in life, some of which, I assure you, have been far from pleasant. But whenever I was confronted with something apparently of little worth, or whenever I felt myself at the end of my own resources, I always made a point of recalling this epigram and realizing that what is worth doing at all is worth doing well. And, as I considered those brief lines I always endeavoured to fathom the depth of my mind and to make use of the very best of which that mind was capable. I firmly believe that it is cowardly to give up anything, and I am certain that this power of finishing what we begin is the mark of true wisdom.

Labor of Lifetime

In making pottery it is not uncommon that what has been carefully worked into proper form comes out of the kiln discoloured, or misshapen, or even broken. Such failure in some cases involves so much of wasted labor and material loss that it results in the deepest despair of the worker. For it must be realized that the production of a piece of ceramic work, so small that it can be held in the palm of one hand, may sometimes represent the labor of a lifetime, a piece of work the making of which may, at times, have driven the maker to the verge of death from despair. But fortune does not desert him completely. In the finished creation of the master, there is present the soul of a man, real, tangible and ready to cry out, and yet far removed from thoughts of wealth, name, praise, or condemnation. Whenever I am brought face to face with these inherent qualities of a ceramic masterpiece, I recall the brief line bequeathed by my parent.

The Truth of Human Life

As a matter of fact, I always recall those two epigrams I have quoted, whenever I find myself in the presence of a work of ceramic art. Look at a tiny tea-cup, a thing of delicate beauty, and yet impervious to both heat and cold, fulfilling the very needs for which it was designed. One can observe its quality which is at once delicately soft and rigidly firm. It is from the realization of this truth that he will understand, if he has not done so already, the presence of the truth of human life in the work of ceramic art.

A deep sense of humanity must be present in the heart of any one who would appreciate the intrinsic worth of these delicate works of art, for any lack of care in handling them may cause these objects of rare beauty to be lost forever. It must be done with affectionate care, with a mind alert and in perfect control.

It is due to such an attitude of mind that the works of many ancient masters have been handed down to this day, unimpaired and none the worse for the passage of many centuries, to the admiration of all time to come. They are, in fact, treasures in which refined affection and the unchanging soul of man are blended to produce a perfect whole. In handling ceramic works we are so deeply conscious of their appeal that we are almost tempted to take them deep into our bosom and fondle and caress them. It is remarkable that those objects which give forth such a soft and delicate appeal are in substance composed of what is as hard as stone.

Ceramic ware is not too hard. And yet it is not too soft. Moreover, it is inseparable from human life. It seems to me that ceramic ware impersonates this by its very nature.

A love of ceramic ware, it may be said, has something in common with a soul inquiring in to the truth of life. It is no exaggeration to say that since the dawn of creation, human life has never existed without some kind of ceramic ware. If we purpose to inquire into the life of a nation, we may do so well through the history of its ceramics.

In speaking briefly of the history of the ceramic ware of Japan in comparison with that of other countries, we may say that in Japan the ceramic art has kept pace with the development of the country. In the case of China, Turkey, Persia and certain countries of Europe, while they produced excellent articles of pottery and porcelain in the distant past, the situation at the present time would indicate that the development has ceased and the art has become extinct.

But in Japan we find that even today ceramic ware surpassing that of ancient times is being produced all over the country.

Generally speaking, in most countries, articles of fine art have been preserved only in museums, but fortunately in Japan, because of the progress of the nation's culture under the benediction of the perpetual Imperial line, craftsmen have passed on their knowledge to their sons, and the latter in turn to their sons, so that new methods have been invented and fused with the characteristic ideas of the country to produce articles of superior workmanship.

Craftsmanship Improving

Thus, in Japan, we can find not only specimens of ceramics preserved in museums but also those which are being produced at the present time, and which reveal a steadily improving craftsmanship.

I should like to emphasize this and to point out that a study of Japanese ceramics will reveal what the Japanese spirit really means. Those who are inclined to believe that Japanese civilization is based on mere imitation of other countries will, I am convinced, find something far deeper than mere imitation, if you study the underlying spirit of ceramic art and apply it to the study of our civilization as a whole.

This applies not only to fine arts but to the study of Japan as a whole and to the interpretation of the Japanese spirit, concerning which foreigners have been led to make hasty conclusions, resulting often in international complications and misunderstandings. This is a point I regret very much. There is no question that Japan, from ancient times, and through the various eras of history, has digested, built up and developed cultures making their way into the country from other thing today.

Even in the case of ceramic industry, its development has been phenomenal since the educational visit to China by Toshiro Kato in the remote past, which was followed by the coming of craftsmen from Korea after the conclusion of Toyotomi-Hideyoshi's expedition to the latter country. These men were instructed by the great military ruler to set up ceramic ovens in Kyushu and other sections of Japan to introduce the art of making various articles of pottery. Their methods were thoroughly mastered by the Japanese, who fused them with their own to produce better wares. The development was so marked that such distinguished craftsmen as Kakiemon and Ninsei made their appearance.

Industry Has Progressed

Besides, fortunately for the nation, the powerful feudal lords in different districts vied with each other in obtaining the best of craftsmen to bring about a race in ceramic production. It was only natural under such conditions that the industry should make rapid progress.

For these reasons, among the nations whose names are synonymous with good pottery, Japan is not only included but also she has so advanced in the art that today she is known to have a school of her own in the fine art of ceramics.

It is often said that Japan is an imitator of Occidental culture and that she has nothing of her own creation, as I have mentioned already, but in order to take the good points of others, it is necessary that one should have creative ability himself. Without this trait, progress would be impossible.

It is true that the Japanese are studying the advanced aspects of the world with a view to combining and producing original article.

Taking the case of Buddhism, for example, which is said to be contributing to the spiritual world one of the deepst philosophical grounds for the enlightenment of humankind, it is my belief that even in India, where it originated, the true purpose of the religion has degenerated, and its true symbolism can be seen only in Japan today.

This esoteric religion, after its introduction into Japan, was uninterruptedly inherited through the ages, and after passing through a stage of fusion with the country's characteristic national spirit, revealed its true identity and at the same time established itself as a part of Japan's culture and civilization.

China's Confucianism, which was taught by the great philosopher, Confucius, does not seem to be alive today among the masses in the very country where it first took root. Through statements and books propaganda of the most noble nature is being spread, but the precepts do not seem to be actually practised. I have heard that, not long ago, rash threats were made in China to burn and destroy the home temple of Confucius.

But this teaching of Confucius became united with the national spirit of Japan. As a matter of fact, it is serving as one of the fundamentals of Japan's "Bushido," or the code of the samurai. Although it has been only three hundred years since the introduction of Christianity into Japan, and whether or not the time may come for deviation into other ways in the land of its origin or elsewhere, it will continue its development here in Japan, even to the extent of fusing the Japanese spirit with it, so as to see a rejuvenation. I would not be surprised if it becomes a stronger teaching than it is today, and goes through a period of great development.

What I say appears to be an illusion, but "history repeats itself." I would like to point out that of the world's three greatest systems of thought, i. e. Christianity, Buddhism and Confucianism, the latter two are at present being cultivated and perpetuated in Japan. This factor is a matter on which Japan can take much pride; and it is an honour to her. This present era of ours is described by the educators as an age of the "Homo Greco" civilization. Who knows but that Japan may be the cradle of "Homo Alpha," the new civilization?

From the lesson taught us by the history of ceramics, such thoughts mentioned in the foregoing continuously come to me. I am of the opinion that the attitude of individuals and of nations should be of give and take, and in their way to be of mutual help. There is no other way. One must respect the other's existence, and all must cooperate so as to enjoy the peace of the world.

The Rise of Modern Japan

(Continued from Friday)

When Japan had reached a stage of development where she had more or less completed her basic reforms and established a new national structure, she was subjected to her first test of power in 1894—the war with China, then under the rule of the Ch'ing Dynasty, over the question of Chosen's independence. Though not yet fully seasoned in the ways of the modern world, Japan, with grim determination, took up arms so that Chosen, "the spear pointed at the heart of Japan," may remain an independent state. On land and sea, victory after victory was won to the amazement of the world which had believed that the small island nation was no match against the Chinese giant. China surrendered and dispatched Viceroy Li Hung-chang, to Shimonoseki to discuss peace terms. As a result of the victory, the complete independence of Chosen was assured and the Liaotung Peninsula, Taiwan and the Pescadores were ceded to Japan. Shortly after the close of the war, Russia, Germany and France combined and exerted pressure on Japan to return Liaotung to China on the pretext that Japanese possession of that territory would impair the peace of the Orient. Unable to meet the threats of the three Powers by force, Japan swallowed her pride and returned this legitimate prize of war. But far from proving a discouraging setback, this fact, on the contrary, served to call forth renewed vigor and courage on the part of the people—so susceptible to moral wounds—to face the future with determination and erase the stain on their national honor and dignity.

The Sino-Japanese War marked a milestone in the progress of new Japan. It provided a new incentive for development in all spheres. The gold standard in currency was adopted as another forward step in the nation's economic advance and this scheme was facilitated to a great extent by the large amount of gold obtained from China as war indemnity.

As for China, the war defeat exposed to the world the weak and chaotic condition of the Ch'ing Dynasty, providing an inviting opportunity to the western Powers to impose more pressure on that country to gain various advantages. There was an intense rivalry among the Powers for concessions, leases and other territorial advantages with Germany creating her sphere of influence in Kiaochow, France in Kwangchow, Russia in Port Arthur and Dairen and Great Britain in Wei-hai-wei. China was helpless in the face of this imperialistic advance but the masses of her people rose in indignation against foreign oppression, breaking out into an open uprising centering around an extremely nationalistic band called the Boxers in and around Peking in 1900. All the Powers jointly dispatched troops to quell the uprising. Asked to cooperate, Japan immediately responded and dispatched an expeditionary force which was the first to dislodge the Boxers and enter the walls of the Chinese capital. So well organized was the Japanese force and so well disciplined the troops, the Powers for the first time recognized the real strength of Japan as a military Power. It was in view of the rising power of Japan that Great Britain abandoned its policy of "splendid isolation" and entered into an alliance with this country in 1902.

The industrial developments which followed the victorious engagement with China were nothing short of spectacular. Whereas in 1887 there were only 18 spinning mills in the country, in 1903 the number had increased to 76. In 1897, exports surpassed imports for the first time. The heavy industries developed to the point where Japan was able to build her own battleships.

While Japan was thus engaged in a relentless endeavor to modernize herself, Russia, one of the members of the Triple Intervention which had forced Japan to return the Liaotung Peninsula, was furthering her ambitions on the continent, taking every advantage of the opportunities presented by the Boxer incident. Russian troops were not recalled after the uprising, but were stationed in Manchuria as a permanent garrison and augmented with greater re-inforcements. Port Arthur was made into an impregnable fortress and strong pressure was brought to bear on Chosen whose weakness was a constant menace to Japanese security. Staking her very existence in the name of national security and peace in the Far East, Japan took up the challenge in 1904. Russia was then one of the foremost military Powers of the world, but Japan emerged from that titanic struggle the victor had succeeded in driving back the Colossus of the North. The war entailed tremendous sacrifices in men and treasures, but the victory brought Japan into the forefront of world affairs. It was, indeed, another historic milestone in the march of progress.

Prior to the struggle with Russia, the light industries had occupied the dominant position in the national economy, but the close of the war opened a period which saw notable advances registered in the heavy industries. The iron and steel, machine tool and chemical industries made remarkable strides. The import of lathes which totaled ¥3,510,000 in 1905 dropped to ¥360,000 only five years later, because of the rapid advances made by the domestic industry. The battleship Satsuma, completed in 1910, is said to have been more advanced in design, machinery and equipment than those of any other Power at that time. Locomotives which had been almost wholly imported were increasingly replaced by those of domestic make.

One of the most important factors in the industrial progress of the country was the rapid strides made in the development of electric power generation, thanks to the abundance of streams and waterfalls. From 80,000 kilowatts in 1903, the total power produced only for industrial purposes (both hydro-electric and thermal) increased to nearly 500,000 kilowatts in 1912 and over 6,000,000 in 1935.

The light industries, especially the cotton textile industry, made remarkable progress. In 1903 there were only 500 looms in use, but by 1914, the number rose in one bound to 25,000, increasing to 408,000 in 1937. With the development of this industry, the imports of cotton textiles ceased, Japan becoming not only self-sufficient in these goods, but also a leading exporter of them.

These developments covered practically the whole field of industry, raising Japan to the status of one of the eight Powers of the world which at that time (pre-World War) included Great Britain, the United States, France, Germany, Austria-Hungary, Russia and Italy. The Empire of Japan now extended from Saghalien in the north to Taiwan in the south and Chosen in the west, the last named having been annexed in 1910. Within less than two generations, Japan had arisen from a state of medievalism to the position of the dominant Power in the Orient.

In the midst of these significant developments, the entire Japanese nation was thrown into grief. Meiji Tenno who had led his people through 45 years of brilliant progress since the Restoration passed away on July 30, 1912. But the foundations of the new nation had been laid and the propelling force of progress was in motion. With new vigor, the nation proceeded into the reign of Taisho Tenno whose era was filled with phenomenal developments in every sphere of endeavor. The impetus was supplied by the war in Europe. As an Allied Power, Japan sent a part of her fleet to the Mediterranean and dispatched forces to the German leased territory of Tsingtao to participate in the Allied cause, but at home she was at peace. The great demands for supplies made upon her by her allies spurred the various industries whose production soared to astronomical figures. Japan at last was brought to maturity as a modern industrial nation. She arrived at the threshold of a new period in which she was to take an active role on the stage of international affairs.

After coming this far the historian must admit that any discussion of subsequent developments from the perspective of history is difficult, for the factors which have gone into the making of history in the last two decades are still so unsettled that they do not permit of an adequate historical estimate. It is comparatively easy enough to chronicle the various events, the issues, the crises, the achievements and the personalities who played a part in them, but to analyse them, to appraise them and to correlate them in their proper proportion as a part of the process of history, that is not easy. And so in concluding our survey of Japanese history at this point, let us constantly bear in mind that history is a product of the racial will, aspiration and spirit and that without a proper consideration of these factors no fundamental understanding is possible of attainment.

(The End)

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PAYMENT OF TAXES FACILITATED BY ACT

Most Conspicuous Point of New Law Is Creation of Deferred Payment Savings

The Tax Paying Facilities Act which was approved by the Diet in its session just ended, and which will be effective from the new fiscal year may be regarded as one of principal measures the Government has taken in order to prosecute the great war the country is fighting now, because success in the war, in a great measure, is dependent on success in the Government's taxation policy, says the Diamond in its latest issue.

The Tax Paying Facilities Act involves four principal points. The first is the giving of greater control powers to the tax payers' associations, of which there were 317,000 with 8,310,000 members throughout Japan Proper at the end of March, 1942. This membership corresponds to 56.4 per cent of all the tax payers in the country.

The tax payers associations are formed in the municipal, town or village offices, in order to conduct different undertakings, including the handling of deposits by the tax payers, in order to make it easier for the members to pay their taxes fully in time. The taxes on corporations and other juridical persons are paid out of the special funds reserved for the payment of the taxes in view. The tax payers associations, therefore, are intended to help individuals in paying their taxes.

To Handle Savings

By the establishment of the Tax Paying Facilities Act, these associations hereafter are authorized to handle the tax paying savings or special postal savings to be deposited by the members. The tax paying facilities associations will not make such savings compulsory for their members, as a matter of course. The Government, however, will extend financial assistance, in the form of subsidies or prizes, to the associations in order to facilitate their activities. The amount to be disbursed for this purpose by the Government during the new fiscal year is fixed at ¥750,000.

The second is the establishment of a system for reserving special funds for the payment of taxes in every business organization. The system is called the Tax Paying Reserve System. By virtue of this, every business organization, at the end of each business season, is required to reserve a certain amount for the payment of taxes, the amount to be laid aside being fixed in consideration of the corporation's tax, extraordinary profit tax, business tax, and additional taxes.

The strict enforcement of this new system, however, is to be made a few years later, say from 1947-48. For the time being, each business organization will be required to reserve a smaller amount only. It goes without saying that a business organization realizing no profit will not be required to keep any such reserve fund.

New Kind of Deposits

The third point is the establishment of a new kind of deposits to be called the tax paying savings. This savings may be handled by the state's banks, commercial banks, savings banks, and the credit associations in the urban districts. The savings is intended to meet the payment of taxes. Therefore, it cannot be drawn out for any other purposes, except in cases where there is some balance after the payment of the taxes. This savings will bear a daily interest of 0.0075 per cent.

The fourth, and the most conspicuous, point is the establishment of a special deferred payment savings, which exempts the tax payers from the payment of all taxes. In order to enjoy this privilege, the tax payers must deposit an amount two or three times as large as the amount of their taxes. Those who deposit an amount three times as large as the amount of their taxes are required to leave their deposits with the authorities for 12 years computing from the time they start depositing, and those who lay aside twice the amount of their taxes must leave their money in the hands of the authorities for 20 years computing from the time they start their deposits. Such depositors are given a wartime savings certificate.

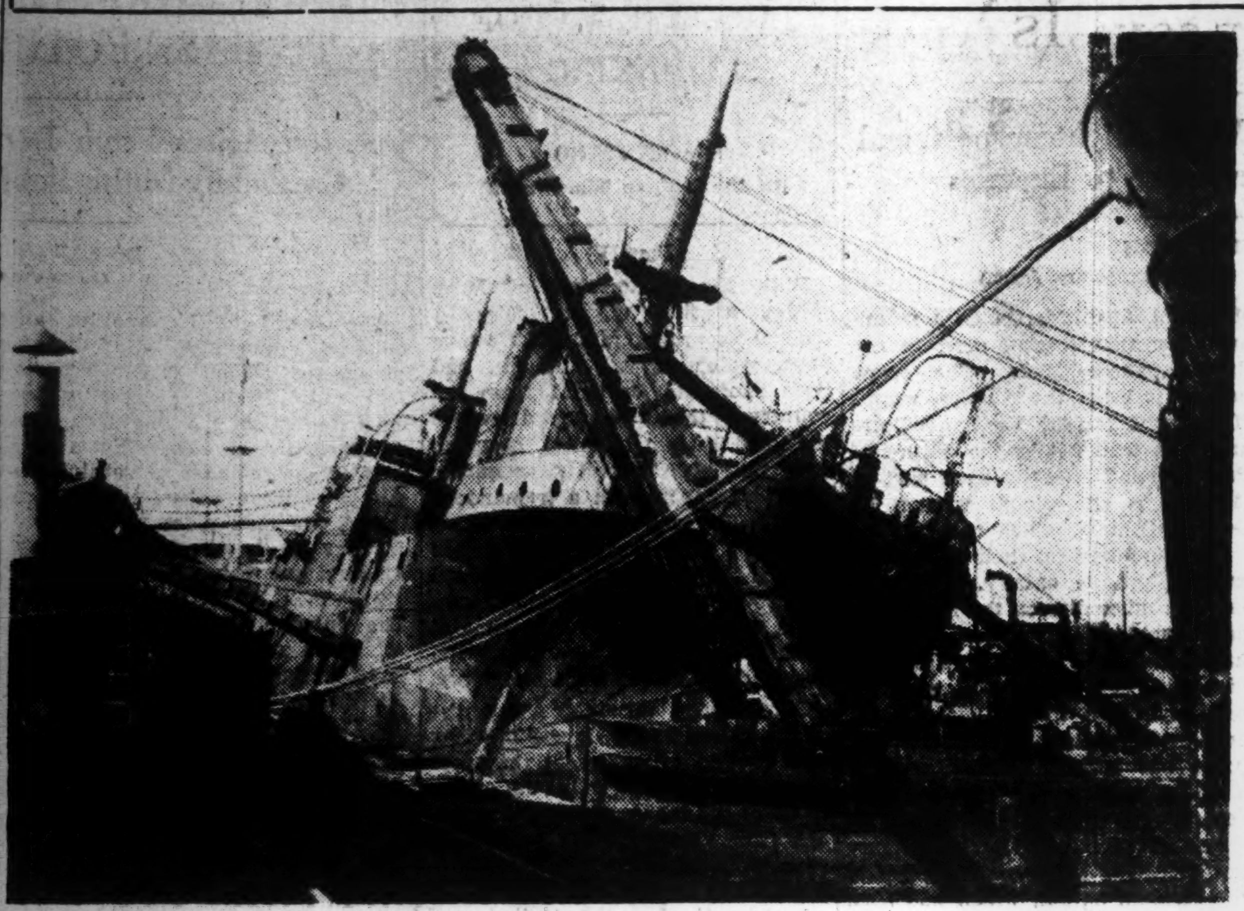
This system of savings, for the time being, will be extended to individual tax payers only.

French Indo-China Bases Future Trade on Yen

(Continued from Page 6)

efforts to construct a justified Greater East Asia for the happiness of its races by centering all of nature, labor, and capital in this direction. The Agreement between Japan and French Indo-China for a new method of settling accounts is of great importance and significance in that it finally completed the Greater East Asia monetary sphere, and at the same time freeing the 1,000,000,000 peoples of Greater East Asia from America and Britain, hoarders of gold, to advance freely for the construction and happiness of Asia.

An Enemy Ship for Our Use



One of the sunken ships of enemy countries being salved to put into the service of our own country. Japanese salvage workers have more than once astonished the world by accomplishing tasks those of other nationalities had given up.
(Passed by Navy Ministry)

PATENTS' WIDER USE TO AID PRODUCTION

Other Decisive Measures Taken By Gov't Also to Help Expansion of Facilities

Various decisive measures are being taken by the Government to facilitate the speedy expansion of Japan's productive power. Among these, the most conspicuous are the promulgation of the Ordinance for the Utilization of Patents, Licenses, and Inventions (March 23—Official Gazette), the regulations for the enforcement of the same ordinance (March 23), and of the Ordinance for carrying out General Mobilization Research and Studies, which have been accompanied by announcements by the Army and Navy of an epochal measure to disclose their patents to the public, except those concerning their respective technical secrets. These measures are very opportune in view of the fact that Japan now stands under an extraordinary situation where the rapid expansion of its productive power is urgently required, says the Nippon Sangyo.

The chief of the Patent Bureau, in explanation of the Ordinance in question, expressed his wishes that all parties in the country should cooperate with the Government, realizing the extraordinary situation in which the country stands at present.

Must Do Their Best

All the manufacturers, including the owners of various patents, in the country are now required to do their very best for the expansion of Japan's productive power, disregarding their respective interests. And, to our satisfaction, says the Nippon Sangyo, the inventors, manufacturers, scientists, chemists, and engineers throughout the country have already started patriotic movements to assist the authorities in their efforts to increase the productive power of the country without delay.

One of such patriotic movements is embodied in the proposed establishment of the Industries Ownership Operation Cooperative Council (tentative name) in Kansai. Meanwhile, the investors, engineers, chemists, scientists, and manufacturers of Tokyo are planning to redouble their activities through the Scientific Mobilization Association, and the Industries Ownership Operation Committee to which they belong.

In addition to the activities of these organizations, the Tokyo Branch of the Inventors' Association is expected to exercise greater efforts for the industrialization of various factory equipment, and materials and labor remaining idle. In this connection, it is felt in various quarters concerned that a central organ should be established in order to guide the efforts of all parties along the right path in order to secure the speedy expansion of the productive power, as desired by the Government and people alike.

Understanding Emphasized

The chief of the Patent Bureau, in explaining the Ordinance in question, emphasized the necessity of a perfect understanding on the part of all manufacturers and inventors of the extraordinary circumstances in which Japan stands at present. They must know, said he, that their individual interests must be sacrificed to the interests of the state. In order to attain the purpose in view, namely the speedy expansion of Japan's productive power, it is necessary that all the manufactories in the country work in close cooperation with one another by exchanging their technical secrets for the lofty purpose of elevating the technical standard of Japan's wartime industries.

It is expected in this respect, that the Government, in collaboration with the leading civilian parties, is planning to establish a central body for the operation of the patents and industries in the country. The body, which will be called the Industry Ownership Operation Cooperative Council, will have for its members the representatives of the Government, the Inventions Association, and different industrial control associations. Thus, Japan is expected to take big strides in the expansion of its productive power, so that it may beat the United States and Britain, not only in the armed clashes, but in the war of production.

Closing Quotations Of Key Stocks And Bonds

Yesterday's final prices of key stocks and bonds on the Tokyo Stock Exchange follow, in yen:

		Comp. with prev. day
Tokyo Exchange, new (short-term)	83.50	+ 2.10
N.Y.K., new (short-term)	77.30	+ 0.40
Kanebo Spinning, new (short-term)	73.30	+ 0.20
Gov't Bond, Kogo 5%	108.20	Same

Japanese Way of Thinking

(Continued from Page 6)

when the eighth Shogun Yoshimune lifted the age-old ban on the import of foreign books other than those on religion. So the country was not altogether unprepared for the impact of Western thought experienced at the Restoration period. It is a famous incident in the pre-Restoration times that one Hayashi-Shihei in the Kansei era (1799-1800) startled the Shogunate officials with the statement that the waters of the Nihonbashi River in Yedo were in direct communion with those of the Rhine and Thames, Mississippi and Po. Thus the thought of the Western world was heard soughing among the pines of Tokaido, if only one had ears to hear, long before it assumed the force of a hurricane to rage through the empire.

Happy Selection

Was the exclusion policy of the Shogunate a good or a bad one? It becomes a hard question to answer, if considered in the light of Japan's subsequent career. But for this "negative" policy Japan might have emerged among the comity of the Powers long before the Restoration, but then she might not be performing the glorious role of Liberator of Asia which she is playing today. On its credit side may be placed the consideration that it has secured for Japan the two essential ingredients of salutary national progress which have made Japan what she is: The continuous touch with the general current of world affairs which Japan had kept up though in a minimum degree, and sufficient measure of "separateness" from it which has enabled Japan to maintain its identity uncontaminated by the corrupting or standardizing effect of alien culture by too close or intimate association. Thanks to Japan's geographical position and the liberal tendency of Japanese people, the influence of foreign culture on the native thought of Japan has been upon the whole very salutary. Neither impervious nor subservient to the shafts of foreign thought, Japan has been able to exercise rational selection in taking what is beneficial and in rejecting what might have proved poisonous, to its national well-being.

SELL-OFF FOLLOWED BY RESILIENT TONE

Wares Rigged Up for Fairly Long Time Tend to Weaken

With a resilient sentiment produced on the market following the month-end liquidation of January-bidden wares in the long-term section, prices on the Tokyo Stock Exchange yesterday were irregular. As a consequence, gilt-edged issues alike in the long-term and the short-term sections sharply rallied, while those rigged up for a fairly long time tended to weaken.

In the long-term section, Mitsubishi Electric Machinery registered a spectacular gain of ¥5.30 at one bound, and Toyo Cotton Spinning jumped up ¥2.80, Manchou Tobacco ¥2.10, Japan Beer ¥1.70, Niigata Iron Works ¥1.60, Japan Sand Iron ¥1.40, and Toa Tobacco ¥1.30. Simultaneously, however, Asahi Glass slipped ¥1.90, Japan Steel Tubing ¥1.30 and Komatsu Iron Works ¥1.10.

In the short-term section, the bourse issue rallied ¥2.10, and Osaka Exchange, new ¥2.80. At the same time, Mitsubishi Heavy Industrial, N.Y.K., new and Teikoku Rayon, new picked up in fractions.

A similar trend was found in the spot market. Central China Tobacco stepped up ¥1.50, and Takasago Iron Works ¥1.00, while Miya Steel eased ¥1.30 and Kayaba Iron Works ¥1.20.

Long-Term Section

Yesterday's final prices of select issues in the long-term section were:

First Section	—Delivery—		
	Mar.	Apr.	May
Kanebo Spinning (50)	126.6	127.5	125.0
Nisshin Spinning (50)	82.0	82.8	83.7
Teikoku Rayon (50)	79.8	—	80.3
Kurashiki Rayon (50)	70.0	—	70.7
Toa Hemp Ind (50)	69.4	—	70.9
Tokyo Hemp Yarn (50)	100.4	100.0	99.9
Kanegafuchi Ind (50)	75.0	75.9	67.2
Showa Elec Ind (50)	83.0	83.2	82.7
Japan Nitrogen (50)	71.0	71.3	72.7
Second Section			
N. Y. K. (50)	90.9	92.0	91.1
O. S. K. (50) ... 8	81.5	—	83.2
Toyo Steamship (50)	67.5	68.9	69.8
Nissan Steamship (50)	64.3	65.7	66.1
Mitsubishi Mining (50)	83.6	84.6	84.1
Ishihara Ind (50)	64.7	65.6	65.1
Third Section			
Oriental Develop (50)	62.9	63.4	64.2
Furukawa Elec Ind (50)	110.9	112.0	112.1
M'bishi Elec Mach (50)	149.5	143.6	141.3
Japan Oils and Fats (50)	64.2	64.6	65.5
Japan Beer (50)	97.9	—	98.9
Tropical Ind (42½)	39.4	—	40.5
Sumatra Dev, new (37½)	44.5	44.7	45.1
Asahi Glass (50)	92.1	94.4	93.6
Toa Tobacco (50)	101.4	101.8	101.6
Manchou Tobacco (50)	94.8	94.3	92.8

Short-Term Section

	Open.	High	Low	Clos.
Tokyo Exch. new	80.9	3.5	0.9	73.5
N. Y. K., new	77.0	7.6	6.8	77.3
M'bishi Heavy Ind.	93.6	4.1	3.6	94.1
Kanebo Spin. new	73.2	3.4	2.4	73.3
Teikoku Rayon, new	68.9	9.7	8.9	69.7
Hitachi Iron Works	89.8	90.8	89.5	90.8
Osaka Exch. new	39.2	41.6	38.9	41.6
Japan Steel Tube	68.1	8.5	8.0	68.5
Japan Oil	72.2	2.4	2.2	72.4
S. M. R.	74.9	4.9	4.9	—
N. Y. K., old	91.2	1.5	1.2	—
Hokkaido Coal	71.9	2.6	1.9	72.4
Kanebo Spin. old	127.0	7.5	6.9	—
Toyo Rayon, new	55.7	6.0	5.7	56.0
Kokura Iron Works	53.8	4.0	3.5	54.0
Japan Beer, new	45.1	5.6	5.1	—
Japan Sugar, new	—	65.2	5.1	—
Ensuiko Sugar	63.5	4.1	3.5	—
Japan Mining	60.9	1.2	0.9	61.2
Manchou Heavy Ind.	61.4	1.5	1.4	—

Bill Clearings

March 29
(In ¥1,000)

	Tokyo	Osaka
Bills Cleared	289,127	112,557
Balance	87,102	22,709

BUILDING BODY PLANS GREATER ACTIVITIES

Will Undertake Adjustment of Prices and Distribution of Building Materials

The Building Materials Cooperative Association, in accordance with the plan just decided upon, has decided to start greater activities to enrich the supply of building materials in close cooperation with the authorities, besides conducting, as heretofore, the making of statistics, inquiries, experiments and studies, of different architectural problems, as well as the popularization of architectural knowledge among the people at large by holding exhibitions, lecture meetings and publication of pamphlets, says the Nippon Sangyo.

The Building Materials Cooperative Association, on account of the high membership fee, has been accessible only to leading building contractors. It is expected that the decision will be reached, at the general meeting of the members to be convened on April 1 in Tokyo, to reduce the membership fee considerably, and abolish the admission fee, so that all building contractors in the country may make use of the services of the association.

The Association, after reformation, will undertake the adjustment of the prices and distribution of different building materials by organizing special committees for each of the building materials of importance. In short, the association will play the role of a comprehensive control association of the building circles, as observable from the revisions introduced into the regulations of the association.

Gist of Regulations

The gist of the revised regulations is given here below:

Article 3—The Building Materials Association, in order to make the most of the building and public works materials, will undertake the control and operation of the building and public works industries, while working in close cooperation with the Government for the execution of the national policy concerned.

Article 4—The Building Materials Association, in order to achieve the purposes stated above, will undertake different works as follows:

1. Maintenance of close cooperation with the Government in order to secure the production and supply of an abundant quantity of building and public works materials.
2. The adjustment of the supply of the materials and raw-materials for buildings and public works.
3. The investigation into the prices and qualities of the building and public works materials, as well as into the measures to secure the supply of such materials from abroad.
4. The establishment of special committees for the adjustment of the prices and supply of different building and public works materials of importance.
5. The establishment of permanent exhibitions for the development of the building and the public works industries.
6. Extension of necessary advices and instructions to the members relative to the adjustment of the supply of the building and public works materials.
7. Maintenance of close cooperation with the Government authorities relative to the execution of the various works enumerated in the foregoing lines.

Post of Chairman

It is expected that the post of chairman of the association after reformation will be filled by one of the prominent men of experience worthy of the post of a state minister, while the number of directors will be increased from 11 as at present to 15, and a council of 25 members created in the association to give advices regarding the operation of the association.

The chief of the Air Defense Bureau, the chief of the Living Bureau (Welfare Ministry), the chief of the Forestry Bureau, the chief of the Prices Bureau, the chief of the Enterprises Bureau, the chief of the Chemistry Bureau, the chief of the Metals Bureau, and others are expected to extend necessary aids to the association by way of facilitating its activities.

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EVOLUTION OF WAR NOTES

Credit and Power of Japanese Military Scrip Have Advanced With Each War in Which Instrument Used for Emergency Payments

Apropos of the recent decision by the Japanese authorities to withdraw the army scrip from circulation in Central and South China, a recent issue of the Sangyo Keizai gives a brief outline of the history of war currencies issued by our country.

The army scrips in the modern sense was first issued in our country at the time of the Russo-Japanese War of 1904-5.

Later, at the time of the Sino-Japanese War of 1894-5, although Japanese and Chinese currencies were being used in the occupied areas, with the development of the war situation, the necessity for the issue of army scrip came to be keenly felt, and in November 1894, the authorities decided on issues to a total of ¥10,000,000 and the printing was accordingly put in hand. In March of the following year, an amount of ¥3,700,000 was delivered to the army, but the hostilities came to an end and peace was restored before any portion was actually put into circulation.

Profits From Experience

In the Russo-Japanese War, in view of the experience of the Sino-Japanese War, preparations were made with an ample margin of time. Already in January 1904 a policy for the issuance of war notes was decided on at a Cabinet meeting in anticipation of an inevitable war with Russia.

The amount to be issued was at first set at ¥100,000,000, but with the development of war and the expansion of the areas of circulation of army scrip whose credit had been rapidly augmented, the amount actually issued far exceeded the amount originally fixed, and when the account was transferred from the National Treasury to the Yokohama Specie Bank, the amount in circulation totalled ¥148,000,000.

On its entry into the European War I, Japan again issued army scrip after the example set in the Russo-Japanese War. It was in August 1914. The total amount of issue reached ¥18,810,000, but the amount actually put into circulation was only ¥2,960,000, because the area of circulation was limited in and around Tsingtao.

Army scrips were also issued when Japan dispatched its expeditionary forces to Siberia. At that time the total amount of issue was ¥30,000,000, of which, however, ¥18,570,000 was not used.

On the outbreak of the China Affair in July 1937, careful consideration was given to the question what currency should be used in meeting war expenses on the spot, but while the conflict was confined within North China, the Bank of Chosen notes and the Bank of Japan notes served general purposes. However, when the war spread to Central China and in November of the same year the Yanagawa corps effected a landing at Hangchow Bay, war notes were put into circulation. In November 1938 the circulation of the Bank of Japan notes was prohibited in Central and South China, with the exception of Shanghai. In December 1939, the ban was also applied to Shanghai and thus army scrips came to be the only currency in circulation in the entire territory of Central and South China.

Fapi Driven Out

Subsequently, the Federal Reserve Bank of China and the Central Reserve Bank were established in North and Central China respectively and these banks issued their own notes as new currencies of China to be circulated respectively in North China and Central and South China.

However, in those days the old legal tender of China still had strong power of circulation, its popularity and credit among the Chinese masses having been so deep-rooted and thus severe currency struggles ensued between the old and the new currencies, as is still fresh in our memory. In due course, the Reserve Bank notes gained considerably in value due to the increased stability of the National Government and the strengthening of Japan's support, which completely drove the old legal tender out of circulation in these regions. The result was the recent decision to withdraw army scrips from Central and South China, they having discharged the duties assigned to them in such an admirable manner.

Enjoying Credit

Since the outbreak of the War of Greater East Asia, war notes have been issued in various regions under Japanese occupation in the south, where they are enjoying great credit among the native inhabitants.

In foreign countries, army scrips have also been issued from time to time when required for war and other purposes.

For instance, at the time of the first European war, Germany issued war notes on the occupation of Belgium and subsequently in France, Poland, Rumania, Latvia, and Lithuania. Austria also circulated military notes in its occupied areas in Servia, Italy and Rumania.

In the present European War, Germany issued army scrips in Poland, Norway, Denmark, Holland, France, etc.

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Capital, Paid up ¥100,000,000
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Office: .... 1, 1-chome, Uchisaiwai-cho, Kojimachi-ku, Tokyo
Publisher and Printer: .... MASAO TAKAHASHI

Nippon Times
Published by the Nippon Times, Limited
TOSHI, GO, President and Editor

TOKYO OFFICE:
1, Itchome, Uchisaiwai-cho, Kojimachi-ku. Central P.O. Box 144, 352, 358.
Telephone: Ginza (57) 303, 403, 5857, 5858, 5859, 7003.
Telegraphic Address: "Times Tokyoyubin."
Furikae No. Tokyo 64848

BRANCH OFFICES:
OSAKA, Dojima Bldg., Tel. Kita 1770.
YOKOHAMA, 157, Yamashita-cho. Tel. Honkyoku (2) 5240.
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SUBSCRIPTION RATES:
One month, ¥5.00; six months, ¥28.00; one year, ¥55.00
Postage free to all parts of the Japanese Empire, Manchoukuo and China. For foreign countries, including postage, six months, ¥42.40, one year, ¥83.80. All subscriptions are payable in advance.

TOKYO, TUESDAY, MARCH 30, 1943

The Heroes of the Second Special Attack Flotilla

A grateful nation honors the memory of the ten heroes of the Second Special Attack Flotilla, the details of whose glorious sacrifice the authorities have recently made known. Immortal as these heroes will be for their surprising feat which will assure them of a permanent place in the pages of naval history, even more immortal will these heroes be for the indelible impression which their valorous deed has made and will make on the hearts of the Japanese people for all time.

The world remembers the wonder which it experienced when it heard the news last spring that special submarines of the Imperial Navy had penetrated the naval ports of the enemy at Sydney, Australia, and Diego Suarez, Madagascar, to inflict substantial damage to his naval establishments. Never before had an attack been launched in the very lair of the enemy at such a distance from home and at such widely separated points as these units of the Imperial Navy succeeded in doing. The unequalled omnipresence of the Japanese Navy throughout all areas of fighting in this global war was never more effectively demonstrated than by the deeds of these heroes of the Second Special Attack Flotilla.

Now it is revealed that the heroes who carried out these matchless exploits met deaths befitting their heroic character. It was the kind of end which they expected and which they in fact sought. It is a cause not for sorrow but for awe and reverence and gratitude that these men have met such an end. For it is this willingness, this consecrated passion, of the sons of Japan to offer their all when occasion demands that keeps Japan ever powerful and great. As was said in the case of the heroes of the First Special Attack Flotilla, it can be said of the heroes of the Second Special Attack Flotilla likewise: "We will not mourn, but will thankfully honor and revere the memory of those who thus personify the life force of the nation. For these are the men who keep Japan eternally alive and her glories ever unchanging."

China's Day of Fulfilment

Although today marks the third anniversary of the return of the National Government of China to its present capital at Nanking, this day is proving to be more than an anniversary. Today will go down in history as an important day in its own right, for this is the day on which the long-lost rights which the Chinese nation has been seeking for decades are at last being restored.

Ever since the National Government of China was reorganized under the leadership of Wang Ching-wei to redeem the national birthright which Chiang Kai-shek had traitorously sold to the Anglo-American exploiters, Japan has been extending every possible aid to that National Government. Consequently, the National Government became able three years ago to restore its capital to its traditional site at Nanking, and its phenomenal achievements subsequently in bringing about the regeneration of China are a matter of record.

But the climax of all these achievements of the National Government is occurring today. It is occurring as the result of the generosity and helpfulness of Japan in the form of the retrocession of the Japanese concessions and the relinquishment of extraterritoriality in China by Japan. The existence of foreign concessions and the enjoyment of extraterritoriality by foreign nations have long constituted an infringement on the practical exercise of the rights of sovereignty by China. The voluntary relinquishment of these special privileges by Japan, promised on January 9 when China declared war upon the United States and Britain, and brought into actual realization today mark the restoration of China's rightful power.

It is significant that it was Japan which has taken the lead in bringing about the restoration of China's long-lost rights and which has thereby helped to restore China to her proper position of respect among the nations of the world. In glaring contrast stand the United States and Britain, who have been generous in their meaningless promises but short in actual deeds, who loudly proclaim their friendship for China but continue to concoct schemes to exploit her through the medium of their puppet Chiang Kai-shek. How well the Chinese nation realizes the difference between Japan and the Anglo-American hypocrites is to be seen in the hearty cooperation which the National Government of China has been steadily according to Japan and climaxed early this year by the decision of the National Government to join with Japan in a joint war against the common Anglo-American enemy. This close cooperation between the two great neighboring nations presages not only the enhancement of the strength and welfare of the two nations but also contributes materially to the building of a New Order in East Asia which will enable all the peoples of this part of the world to attain their rightful national destinies.

The restoration of China's national rights today calls to mind the famous lecture on the Principle of Greater East Asia delivered just twenty years ago in Kobe by Dr. Sun Yat-sen, the sainted "Father of the Chinese Republic." In the course of this discourse, Dr. Sun stated: "In consideration of the welfare of the Chinese people, Japan should abolish the unequal treaties. Japan is now the most powerful independent nation in the Orient and is at the same time one of the great World Powers. If Japan will relinquish her special rights under the unequal treaties and thus respect China's sovereignty, she will really prove to be a good neighbor and will save China from being the virtual colony of a dozen different nations. This is the only road to true Sino-Japanese amity."

On another occasion Dr. Sun Yat-sen wrote: "The relations between Japan and China cannot be other than closely interrelated whether at a time of national crisis or of normalcy. Neither nation can get along satisfactorily without the support of the other Nothing should be allowed to stand in the way in order to guarantee the safety of these two nations for ages to come."

The great hope and desire of Dr. Sun Yat sen are at last being realized today. It is fitting indeed that this consummation is taking place under the aegis of a government led by President Wang Ching-wei, the distinguished disciple of Dr. Sun. Wang Ching-wei is the President who wears the mantle of leadership handed down from Dr. Sun Yat-sen, the founder of Nationalist China. His government is the government which holds true to the Three Principles of the People, the political and ideological fundamentals of the Kuomintang Party, as laid down by Dr. Sun.

The moral and ideological bankruptcy of Chungking, on the other hand, is disclosed in all its tragedy. Chiang Kai-shek has departed from the teachings of Dr. Sun Yat-sen to oppose the ideal of Sino-Japanese cooperation preached by the great leader. Chiang has also revealed his confusion by seeking the support of the Communists on the one hand and serving the interests of the Anglo-American imperialists on the other. The result is that he has been able to win nothing for China save misery and failure.

Today, therefore, as the National Government under President Wang Ching-wei celebrates the anniversary of its triumphant return to Nanking and celebrates its new restorations of power, Japan offers her heartiest congratulations. China can rest assured that Japan's practical help no less than her good wishes will continue to be sent to the end that both countries may cooperate all the more effectively for the building of a greater East Asia and a New World Order.

A Year Ago Today

March 30, 1942

Celebrating the second anniversary of the return to Nanking of the National Government of China, a gigantic rally was held today at the Grand National Hall in Nanking with over 6,000 persons attending. After expressing thanks to Japanese authorities for their return to the Nanking Government of the former British Concessions at Canton and Tientsin, the rally passed a resolution to further strengthen national unity for the defense of Greater East Asia.

* * *

The London Daily Express recently published an article in which it stated that the loss of Java has been a terrible blow to the pride and honor of Great Britain. The paper recalls that aircraft which were ordered and paid for in advance a year ago by the East Indies Government were sent to Russia and other fronts. The paper criticized the government's policies and declared that the London Government would have been much wiser if it had admitted the truth concerning combined losses in merchant shipping.

* * *

With mopping-up operations in Central Anhwei Province being carried out successfully, enemy remnants in that region are now on the verge of annihilation. Advancing through virtual quagmires, the Japanese units have completely trapped enemy forces in the sector southeast of Wafu Lake.

* * *

Due to the wisdom and sagacity of the Indian leaders the whole world expects the mission of Sir Stafford Cripps in India will fail, pointed out Tomokazu Hori, Spokesman of the Board of Information, during a discussion of the Indian situation at the regular meeting today of foreign correspondents.

BUSHIDO IMPLANTS HUMANISM IN HEARTS OF SONS OF JAPAN

Teachings Prompt One to Value Righteousness and Show Mercy and Benevolence to Enemies

By **ZENNOSUKE TSUJI**
(Special to the Nippon Times and Contemporary Japan)

Part II

Our humanistic spirit came into bolder relief during the Korean expedition of Toyotomi-Hideyoshi which continued for seven years from the first year of Bunroku (1592) to the third year of Keicho (1598). Those Koreans who were taken prisoner and brought to our country were accorded such generous treatment that a good many of them elected to settle down in Japan, although they regained freedom to depart for their country after the termination of the hostilities. To cite a few instances, Kato-Kiyomasa, who distinguished himself in the first year of Bunroku. In the following year, they submitted an appeal to Hideyoshi requesting him to send them back to Keijo. Under Hideyoshi's order, Kiyomasa set the two princes free and facilitated their departure. The princes in a farewell letter of thanks to Kiyomasa stated that they and their party were captured on the twenty-fourth day of the seventh month in the first year of Bunroku and sent to Kiyomasa's camp, where they were kindly treated, protected and provided with necessary garments and provisions. On returning to Keijo, the princes built a Kiyomasa shrine outside the south gate of the city as a mark of appreciation for the kindness they had received during their period of captivity. Thus Kiyomasa was deified while he was alive.

In a war sector in Korea, Kiyomasa came across an extremely bright and clever boy in a certain temple. He decided to give the boy proper education, and so he brought him over to Japan. When the boy grew up, he entered the priesthood and ultimately rose to become the head priest of the Hommyoji Temple under the name of Priest Nichiyo. He brought another Korean boy named Kinkan, moved by paternal affection. When Kiyomasa died in the sixteenth year of Keicho (1611), Kinkan became so prostrate with grief that he killed himself to follow his benefactor to the grave. On the withdrawal of Japanese forces from Korea, feudal lord Hosokawa brought over a number of Koreans to his domain. Among them there was a man named Ri, whose descendants later became teachers of the Hosokawa clan school and exerted a reckonable influence in the conduct of clan affairs.

Koreans Well Treated

The members of the Shimazu family, who had participated in the expedition of Hideyoshi, brought back many Koreans with them. They were well treated and given estates to facilitate their domiciliation. Encouraged thus, the Koreans at last established a colony of their own which was called Korai-cho (Korean street). The present Kasanohara and Nawashirogo villages in Satsuma Province are said to be populated by the descendants of these Koreans. After the death of Hideyoshi, Tokugawa Iyeyasu, who became the Shogun, conducted peace negotiations with Korea and came to an agreement which necessitated the return of Korean captives; but a sizable number of the liberated prisoners chose to settle down in Japan, because they found life in this country agreeable to them. This shows to what extent they had become fond of Japan, charmed by the kind treatment they had received during the term of their internment.

Most of the Koreans who decided to stay in Japan settled down in Kyushu under the protection of various manor lords. They engaged themselves in several industrial professions, thereby enriching the fold of our industrial art. Their most noteworthy contribution was in the field of making earthenware vessels. While the Koreans of Korai-cho under the patronage of the Shimazu clan developed "satsuma" and "chosa" potteries, the Korean community in the domain of the Matsuura clan of Hizen created "hirato" pottery. The popularity of such earthenware vessels as "takatori," "vanagawa," "yatsushiro" and "koshiro" was also due to the proficiency of Korean potters. Observing this fact of mutual reliance and understanding, it would not be irrational to say that human fellowship, developed in our country in time of war, imparts a lasting influence on the minds of war prisoners.

Because we have a deep humane instinct we are ever eager to remain friendly and cordial with other peoples. Even when we have to resort to arms to redress wrongs done to us, we try to remain true to our compassionate feeling in dealing with our opponents. During the Sino-Japanese and Russo-Japanese Wars in the Meiji era, on many occasions our armed forces proved the magnanimity of their kind sentiments and emotions. It is a national custom with us to erect monuments in honor of the enemy war dead. In Port Arthur, on the eastern foot of Mount Anshizan stands a monument for the Russian dead in the Russo-Japanese War. The front part of it bears the Russian words: "Graveyard for the Russian officers and men who fell in the battles of Port Arthur." On the back part of it there is an epitaph written by General Oshima, which runs thus:

"Soldiers fight for their fatherland, not for private enmity. If, therefore, a soldier dies on the battlefield, he is neither friend nor foe. He has died for his country. From the viewpoint of love and humanity, his body should be treated with respect and buried with courtesy. Now that peace has been restored, Russia is a friendly country to us. For this reason, the Japanese Government specially ordered the Japanese Army authorities to recover the bodies of the Russian heroes, which had been temporarily buried in the spots where they died. And they have newly been interred in the Russian graveyard with due respect."

Unknown Soldiers

Around this monument lie a number of graves of unknown Russian soldiers. The bodies of these unknown soldiers are divided into several groups, according to the number and the places where they were found. The Russian war dead thus lie buried in this graveyard amount to 14,631. At the unveiling ceremony of this monument, General Nogi was personally present under the order of the Emperor Meiji, while Czar Nicolai sent his chief Aide-de-Camp as his deputy. Archbishop Innocenti, accompanied by some fifteen priests, attended the function. Arriving at Port Arthur, the chief Aide-de-Camp of the Czar immediately proceeded to the Japanese shrine dedicated to Japanese war dead on Mount Hakugyokuzan and laid a pair of wreaths in behalf of the Czar on the ossuary. After that he went to attend the unveiling ceremony. It would be no exaggeration to say that this monument epitomizes our spirit of humanism, the uprightness of which remains unaffected even when war goes on.

Generally speaking, our human affection for our enemy in time of war takes four distinct forms. They are, mourning for the dead of the enemy, performing memorial services for the departed souls of friend and foe, showing compassion for the defeated and according kind treatment to the captives. We have all along taken these human courses in conducting our relations with the enemy forces. In the midst of the present gigantomachy our armed forces, facing all kinds of hazards, hardships and privations, are not deviating in the least from the path laid down by our traditional ideal of humanism. Not only are they according generous treatment to prisoners of war, but are also holding memorial services for the enemy war dead and even erecting monuments to honor them.

Humanism Not Confined

No one should think that our humanism in war is confined to the activities of the Japan Red Cross Society. This organization has its own function to perform in wartime. It deals with a comparatively small part of our humanism. Its main function is to observe the rules and regulations of the international Red Cross agreement relative to prisoners of war and war wounded. Therefore, it is primarily concerned with war work and performs its wartime duties in a truthful manner. But the scope of our humanism is bigger and broader than the objective of a Red Cross organization. That is why we usually accord more generous treatments to our enemies than those provided in the Red Cross regulations. The fact is that our humane instincts propel us to regard defeated foes as our guests, and so we treat them accordingly.

Our sense of humanism has developed owing to four causes. The first is that the geographical nature of our country has given us a mild racial character which urges us to show kindness to others. The second is the influence of Buddhism which has given us a philanthropic and merciful mentality. The third is the assimilation of the practicalism of Confucianism—an assimilation which always impels us to follow the path of forgiveness and benevolence. The last is the spirit of bushido which prompts us to value righteousness and show mercy, benevolence, compassion and pity to our enemies. Since we try to base our life on these noble human qualities, it is natural that our humanism should remain unaffected even in time of war. Our faith in humanism is unshakable, for, in a way, we are a nation of humanists.

(End)

Fruits of Wisdom

Freedom is not worth having if it does not connote freedom to err.—Mahatma Gandhi.

* * *

Human affairs inspire in noble hearts only two feelings—admiration or pity.—Anatole France.

JAPANESE WAY OF THINKING

By **SANTARO**
Of the Nippon Times Staff

Part IV

With the Restoration of Meiji (1868) a flood-gate of Western thought was raised, and the Western ideas which, it was thought, had been effectually excluded from the country by the anti-foreign decrees of the third Shogun Iyemitsu, began to flow into the "water-tight-compartment" of Japan with a tremendous force. So voluminous and overwhelming was the in-rushing tide that all the traditional thoughts and cherished doctrines of old Japan were swamped, and for a time it seemed as though they had been drowned out of existence altogether.

Particularly miserable was the plight of Buddhism. It was beset by two terrible calamities at the same time, or one closely following on the heels of the other; one at home and one from abroad. Regarded as the twin brother of the hated Shogunate, it was disestablished and disendowed; stripped of every privilege and honor; many of its temples burned and its treasured sacred relics desecrated. On top of this came the more dreaded adversaries in the form of new foreign ideas, especially those of Christian religion, which armed with all the wondrous trappings of Western civilization and reinforced by ample missionary funds, began to encroach upon the spiritual domains which it had hitherto regarded as its exclusive preserves.

Poor Bozu and Jusha

Buddhism in the early Meiji years, as some writers said, was in the position of a man who, comfortably asleep in his silken bed, suddenly found himself plucked out of it and plunged up to the neck in the cold, muddy water. In a lesser degree confucianism and Shintoism shared the fate which had befallen Buddhism. In vain did they protest that it was confucian scholars, especially of the Wang Yang-ming school and Shinto patriots who had paved the way for the Restoration. This was not denied, but now that the Restoration was a fait accompli, the old champions who had fought for it were not half as important as the new gods that appeared to guide the destiny of the nation. As for the masses who were emancipated, as it were, from the age-long tyrannies of Shogunate rule, they were willing enough to learn the new foreign ideas. So the great majority of the rising generation of Meiji succumbed to the lure of Europearism, to the discredit, it appeared, of the native culture. The writer distinctly remembers, as doubtless do most readers of my age, the time when such terms as "bozu" (Buddhist priests) "jusha" (Confucian scholars), and "kan-nushi" (Shinto functionaries) were regarded as synonyms for "outmoded human fossils."

Not Altogether New

But it was a good thing for Buddhism and Confucianism that they suffered this martyrdom at the beginning of Meiji; for as we will learn later on, it proved, like the trial of Job, the very cause of the wonderful blooms of enhanced prestige which it has been their lot since to bear. Suffice it to say for the moment that never before in the history of Japan did Buddhism as a religious philosophy and Confucianism as a code of Oriental morality command a more zealous audience or a more reverential following on the part of Japanese people than they do at present.

The new Western thought raged on, carrying everything before it like a prairie fire. It contained every variety of thought: all denominations of Protestant Christianity side by side with the so-called scientific spirit, the doctrines of "independence and self-respect" advocated by Yukichi Fukuzawa, the Nipponized form of Smile's Self-help, Benthamite Laissez faire in economics, progressive liberalism in politics, Darwinian evolutionism in philosophy down to radical Socialism of Rousseau. As for Catholic Christianity, its torch, first kindled by Saint Xavier in the middle of the 16th century, was suddenly extinguished in 1639 by the anti-Christian edicts of the third Shogun Iyemitsu, or at least thought so. But as it has been revealed since, the lamp had been kept burning secretly in a nook of Nagasaki for two centuries in the teeth of the Draconian anti-Christian law; and now that it had regained its old freedom of propaganda, it entered on a new bright stage of progress till it has secured its present position of unchallenged prestige, forming part of Japan's moral bulwarks, promoting the spiritual welfare of this country.

Shihei's Words

What was true about Catholic religion at the time of Restoration was also true about the non-religious thought of the Western world. There is ample evidence to prove that the Western thought, despite the aforesaid drastic anti-alien law of the Shogunate, had been trickling into Japan through the little port-hole of Deshima at Nagasaki where a modicum of foreign trade had been permitted with the Dutch merchants, especially since 1720

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FRENCH INDO-CHINA TAKES STEPS TO BASE FUTURE TRADE ON YEN

Decision Arises From Desire to Meet New Situation Created by Outbreak of Greater East Asia War

By **SAICHI NAKAMURA**
(From the Gaiko Jiho)

The Board of Information announced, immediately after the exchange of official Notes between Japan and France concerning the methods of settling accounts, that the exchange of official Notes concerning the methods of settling accounts between Japan and French Indo-China took place at Vichy on January 20 between the Japanese Ambassador, Takanobu Mitani and the French Premier, Pierre Laval. The purpose of these Notes is to bring conformity to the new situations arising since the outbreak of the War of Greater East Asia, and to supplement the Japan-French Indo-China Economic Agreement signed in May, 1941. It aims to adjust the methods of settling accounts, and its principal importance lies in the understanding to base all future trade and invisible trade between French Indo-China and the various regions within the Greater East Asiatic Sphere on the basis of the yen.

In view of the complete economic changes in East Asia since the outbreak of the War of Greater East Asia, our Government has been conducting negotiations with the Vichy Government since May of last year. The negotiations took a rapid turn when our Ambassador Mitani and Premier Laval met in early December. In early January, the exchange of Notes concerning the method of settling accounts between Japan and French Indo-China was approved at the general meeting of the Privy Council on January 19, and on the following day the exchange of official Notes was executed at Vichy.

Resulted From Agreement

From an examination of the Notes we can safely state that it was a result born from the Residence and Navigation Agreement and the Japan-French Indo-China Customs and Trade and Their Settlements Arrangement, both agreed to on May 6, 1941. The above Agreement and Arrangement were, in the first place, agreed to by French Indo-China from her desire to act economically in concert with Japan as a wing of the Greater East Asia Co-Prosperity Sphere. The above understandings stipulated: (1) The exchange rate between Japan and French Indo-China was to be decided by the exchange rates in market prices of gold bullion and piastre (French Indo-China's monetary unit) against the American dollar and the yen against the same dollar. This resulted in the exchange rate of 100 piastres equalling ¥97.60; (2) As for settling accounts, it was decided that where monthly exports including rice from French Indo-China to Japan exceeded ¥5,000,000 over the exports from Japan to that country, that excess amount was to be carried over to the accounts of the following month, while the amount over this excess amount was to be paid in gold or foreign money equivalent to it (American dollar).

Under the new Agreement, only the yen was to be used to settle accounts for all transactions as from January 1, 1943. All trade and other monetary methods of settling accounts were to be based solely on the yen, and the actual settlement was to be conducted through the accounts established in the Bank of Japan and the Banque de l'Indo-China. Its particulars are: (1) A account, to be based on the yen to cover exports from French Indo-China to Japan; (2) C account, to be based on the piastre to cover exports from Japan to French Indo-China; (3) B account, to be based on the yen to cover imports of grain products by Japan. This special account was particularly set up because rice was the main product desired by Japan and because if it were omitted the imports and exports between the two countries would have practically maintained a balance.

Makes Changes

Under an old Agreement the full amount of exported rise in its first year, 1941, was settled according to the B account and in the second year 70 per cent by the B account and 30 per cent through the A account. This year 55 per cent is being settled through the B account while 45 per cent is being taken care of by the A account. However, the conclusion of the recent Agreement, for two reasons, has brought forth important changes in the monetary relationships between the two countries.

The first point is the exchange rate. We can say that since the end of 1941, Japan has been able independently to establish her foreign exchange rates. When Japan's patience was finally broken, resulting in the outbreak of the war, she naturally broke off all economic relations with America and England, and her exchange policies had to undergo a complete overhauling. Through the orders of the Ministry of Finance concerning our foreign exchange law effective from January 1, 1941, the Government itself assumed the power to decide the exchange rates of foreign currencies in relation to Japan's currency which had up till then been decided through agreements between the different banks. Therefore, the establishment of the exchange rate of 100 piastres against ¥97.60 was an independent act on our part, but as mentioned before, the Agreement that all amounts in excess of ¥5,000,000 carry-over was to be paid in gold or its equivalent, which means American dollars, showed that we were still tied to the shackles of gold. However, the new Agreement thoroughly broke the chain, and the exchange rate decided upon between Japan and French Indo-China removed once and for all our dependence on gold and evil Anglo-American influences. We are now able to stand on a full independent basis and theoretically, if the economic situation demands, we can alter the rate when necessary.

New Way of Settling

The second point is the new method of settling accounts clearly stated in the Notes. As already pointed out, Japan had to pay in gold or American dollars all amounts in excess of the ¥5,000,000 carry-over. The first clause in the Mitani-Laval Notes states that all settlements of accounts between the two countries or in any occupied areas or regions where the yen is to be used to settle accounts, shall be based on the "special yen." The second clause states that French Indo-China shall supply piastres to Japan at par value with the "special yen" necessary for her payments to French Indo-China. Thus, all trade as well as all other matters involving settlement of accounts has been placed on the "special yen" basis, the Japan-French Indo-China economic relation has been systematized, and the piastre, closely linked to our yen.

We need not herein review the purposes of the War of Greater East Asia which is to wipe out the evil and high-handed Anglo-American influences from Greater East Asia. After a year of the war, the Anglo-American forces have been completely shoved out from Greater East Asia, all strategic points having come into the hands of the Imperial Japanese Forces, and all important resources now under our control. By forming a definitely planned economic order to Greater East Asia, and by enabling supplies to reach us to execute successfully the sacred war, and by supplying the 1,000,0000,000 inhabitants of the Asiatic Sphere with all necessary goods a new haven can be established within the Sphere.

The fundamental goal was set forth by the foreign exchange rate independently decided by the already mentioned Act in late 1941. For this purpose on May 1, 1942, with the fundamental reconstruction of the Bank of Japan, our yen was dismantled from the gold link and placed on a controlled currency system to escape the only Anglo-American weapon over currency which they held by their monopoly on gold. Simultaneously, the Bank of Japan took over the business of foreign exchange and other duties necessary for the execution of international currency transactions. With such preparations, the Bank of Japan was given the right to come to exchange settlement agreements with the central banks and exchange banks within the various regions of Greater East Asia, and in accordance with the exchange rates decided upon by our Government the Bank of Japan began the settling of accounts on all trade and other business conducted within the regions of the Asiatic Sphere.

Formulate 'Yen Bloc'

Through this link with the yen the various regions are to close their transactions in Tokyo, in other words, formulate the so-called "yen bloc". We already know that in accordance with this plan the Manchoukuo Central Bank, the Bank of Mengchiang, and the Federal Reserve Bank of China have already established direct and indirect relations with the Bank of Japan to cooperate aggressively in the Greater East Asia currency bloc.

As for the southern areas of the Sphere, the agreement for payment in yen between Japan and Thailand was signed and sealed on May 2, 1942 by Finance Minister, Okinori Kaya and Minister Without Portfolio, W. Pananon. Within the vast areas of Greater East Asia only French Indo-China remained outside the bloc, and this country has now reached an economic agreement with Japan and clearly expressed its cooperative intentions to construct a new Greater Asia. All settling of accounts in this Sphere will be made in Tokyo in yen. Thus the Greater East Asia monetary sphere has been finally realized. It means the final ousting of Anglo-American monetary control over this area which they held with their highly publicized gold. It means that America's bloated $20,000,000,000, 80 per cent of the world's gold, is no longer of any economic use or appeal to the 1,000,000,000 peoples of the Asiatic races.

The peoples of the Greater East Asia have escaped the folly of dependence on free trade based on gold, and no doubt will exert full

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